CONFERENCE PROCEEDINGS

Workshop on Research Advances in Organizational Behavior and Human Resources Management
Paris Dauphine, May 17-19, 2011

Guests
Talya Bauer (Portland State University)
Kathleen Bentein (UQAM)
Jacqueline Coyle-Shapiro (London School of Economics)
Robert Liden (University of Illinois at Chicago)
David Patient (Católica School of Business and Economics, Lisbon)
Patrice Roussel (University of Toulouse1 - CRM)
Lynn Shore (San Diego State University)

Avec le soutien du CNRS
This workshop “Research Advances in Organizational Behavior and Human Resources Management” is the 8th edition of a cycle of conferences initiated in 2004 within the framework of the Group of Research on Attitudes, Behaviors and Competences in Organizations (GDR CNRS GRACCO) activities supervised by Professor Patrice Roussel at the Toulouse 1 Capitole University.

In 2011, the pleasure of organizing this seminar falls to the Paris-Dauphine University and the research team DRM Management and Organization (which belongs to the Dauphine Research Management - UMR CNRS 7088). This event is a unique occasion to gather foreign and French researchers working in the field of Organizational Behavior and Human Resources Management.

I would like to thank our guest researchers who agreed to be ours this year - Talya Bauer, Kathleen Bentein, Jacqueline Coyle-Shapiro, Robert Liden, David Patient, Patrice Roussel, Lynn Shore- and more largely the members of the organization committee - David Abonneau, Gregor Bouville and Mohamed Ikram Nasr. I warmly thank Françoise Carbon, Florence Parent and Christine Vicens for the workshop organization.

I sincerely hope that this workshop and this Parisian stay will contribute to the consolidation and the development of scientific collaborations between our Universities on these topics.

Eric Campoy
Workshop Coordinator
Associate Professor
Paris-Dauphine DRM University.
Tuesday May 17, 14h30-17h30 - SESSION I
CHAIR: Lynn Shore

14h30-15h10: Anjali Chaudhry (Saint Xavier University, Chicago) Prajya Vidyarthi, (Indiana University), Smriti Anand (University of Illinois at Chicago), and Robert C. Liden (University of Illinois at Chicago): “How Much Flexibility Is Ideal? The Relationship Between Flexibility I-Deals and Employee Attitudes”
Discussants: Lynn Shore and Kathleen Bentein

15h10-15h50: Denise Breaux, Anne M. O'Leary-Kelly and Shannon Rawski (University of Arkansas): “The Use of Humor in Sexual Harassment”
Discussants: Lynn Shore and Kathleen Bentein

coffee-break

16h10-16h50: David J. Henderson (London School of Economics and Political Science), Robert C. Liden (University of Illinois at Chicago) and Jacqueline Coyle-Shapiro (London School of Economics and Political Science): “Maintaining social exchange relationships in organizations: an integration of the investment model and the relationship maintenance communication literature”
Discussants: Lynn Shore and Kathleen Bentein

16h50-17h30: Stephen Champion (London School of Economics and Political Science): “Winners and losers of organizational support: A social comparison model”
Discussants: Lynn Shore and Kathleen Bentein

17h30: Conference Robert Liden
Wednesday May 18, 9h-12h-SESSION II
CHAIR : David Patient

8h40: Breakfast

9h00-9h40: Alain M. Roger and Jocelyne Ientile-Yalenios (IAE Lyon) :“Assessment of the effectiveness of appraisal interviews by supervisors and subordinates”
Discussants: David Patient and Patrice Roussel

9h40-10h20: Elaine Farndale (Pennsylvania State University, USA and Tilburg University, The Netherlands), Veronica Hope-Hailey (Cass Business School, UK) Clare Kelliher (Cranfield School of Management, UK), and Stef Suijkerbuijk (Management Consultant, Voestalpine Plastics Solutions, The Netherlands) : “Organizational justice in the new public sector: mediating the LMX and organizational commitment relationship”
Discussants: David Patient and Patrice Roussel

coffee-break

10h40- 11h20: Marisa Ratto (Université Paris-Dauphine and Centre d’Etudes de l’Emploi, France) : “Implicit and explicit incentives to cooperate in teams”
Discussants: Patrice Roussel and David Patient

11h20-12h00: Valerie Caven and Marie Diop (Nottingham Business School) : “Architecture: a ‘rewarding’ career?: An Anglo-French comparative study of intrinsic rewards in the architecture profession”
Discussants: Patrice Roussel and David Patient

Wednesday May 18 – 13h30-16h30- SESSION III
CHAIR : Jacqueline Coyle-Shapiro

13h30-14h10: Anjali Chaudhry (Saint Xavier University, Chicago) and Lynda Song (Renmin University) :“Employee Response To The New ‘Deal’: Moderating Role Of Social Comparison And Social Exchange”
Discussants: Lynn Shore and Jacqueline Coyle-Shapiro

14h10-14h50: Timo Braun, Gordon Müller-Seitz and Jörg Sydow (Freie Universität Berlin) : “Organizational Citizenship Behavior in inter-organizational projects – An empirical study”
Discussants: Lynn Shore and Jacqueline Coyle-Shapiro
15h10-15h50: Jarrod Haar and David Brougham (University of Waikato, New Zealand) : “Testing a Cultural Dimension of Perceived Organizational Support for Indigenous Employees: A Study of Outcomes”
Discussants: Lynn Shore and Jacqueline Coyle-Shapiro

15h50-16h30: K.E.Ingram (London School of Economics and Political Science) : “Relational ambivalence with managers: Exploring diachronic events that sustain and change employee perceptions of relationship quality at work”
Discussants: Lynn Shore and Jacqueline Coyle-Shapiro

Wednesday May 18 – 13h30-16h30- SESSION IV
Chair: Robert Liden

13h30-14h10: Nabila Jawadi (Amiens School of Management), Mohamed Daassi (University of François Rabelais), Marc Favier (University of Grenoble) and Michel Kalika (EM Strasbourg Business School) : “Leadership complexity and leader-member exchange: the case of virtual teams”
Discussants: Robert Liden and Talya Bauer

14h10-14h50: Christine J. Syrek and Conny H. Antoni (University of Trier): “Leadership, Psychological Contracts and Pay Satisfaction”
Discussants: Robert Liden and and Talya Bauer

Coffee-break

Discussants: Kathleen Bentein and Robert Liden

17h15 : Conference Lynn Shore
Thursday May 19– 9h-12h40- SESSION V
CHAIR : Patrice Roussel

8h40: Breakfast

9h00-9h40: Rebecca Hewett (University of London) : “Self-determination theory in the workplace – a qualitative study of motivational experience and agenda for future research”
Discussants: Patrice Roussel and Robert Liden

9h40-10h20: Suja Chacko and Neil Conway (University of London) : “Developing a scale to measure HRM system strength – challenges and initial findings “
Discussants : Patrice Roussel and Robert Liden

coffee-break

10h40-11h20: Maree Roche (Waikato Institute of Technology, New Zealand) and Jarrod Haar (University of Waikato, New Zealand) : “Towards a Comprehensive Model of Managers Wellbeing: The Role of Self-Determination Theory”
Discussants : Patrice Roussel and Robert Liden

11h20-12h00: Sen Xu (UCD Michael Smurfit Business School, Ireland) : “Benevolent Leadership and Followers’ Outcomes : An Attachment Theoretical Perspective”
Discussants : Robert Liden and Patrice Roussel

12h00-12h40: Sarah Saint-Michel (Université Paris 1 Panthéon Sorbonne) : “The mediating role of personality traits in the relation between gender and transformational/ transactional leadership perceptions and organizational outcomes”
Discussants : Robert Liden and Patrice Roussel

Thursday May 19– 9h-12h40- SESSION VI
CHAIR : Talya Bauer

8h40: Breakfast

9h00-9h40: Mieke Audenaert, Alex Vanderstraeten and Dirk Buyens (Hogeschool Gent – Belgium) : “Employee-organization relationships, HRM practices and employee reactions: a conceptual model of intervening mechanisms”
Discussants: Jacqueline Coyle-Shapiro and Talya Bauer

9h40-10h20: Kate Rowbotham (Queen's School of Business, Ontario, Canada) : “Reactions to the extra-organizational deviance of coworkers:Implications for individuals in the workplace”
Discussants: Jacqueline Coyle-Shapiro and Talya Bauer

Coffee-break

10h40-11h20: Jean-Yves HAMIOT (IDRAC Lyon) : “Employment relationship in Academic Sciences”
Discussants: Jacqueline Coyle-Shapiro and Talya Bauer

11h20-12h00: Sébastien Fosse (IE Business School Madrid) : “In search of lost reciprocity: sense and nonsense within and between virtual teams”
Discussants: Talya Bauer and David Patient

12h00-12h40: Philip Gylfe (Hanken School of Economics, Helsinki) : “How HRM impacts employee creativity: Exploring the mediating effect of the organizational climate”
Discussants: David Patient and Talya Bauer

Thursday May 19– 14h-17h- SESSION VII
CHAIR: Kathleen Bentein

14h00-14h40: Amandine Carrier-Vernhet and Céline Desmarais (Université de Savoie) : « Can organizational commitment be excessive? A reflection based on the situations of “troubled managers”
Discussants: Kathleen Bentein and Talya Bauer

14h40-15h20: Başak Uçanok (İstanbul Bilgi University, Turkey) : “The Effects of Work Alienation in the Relationship between Work Values, Materialism and Organizational Commitment”
Discussants: Kathleen Bentein and David Patient

Coffee-break

15h40-16h20: Jörg Korff (Jacobs University Bremen, Germany), Torsten Biemann (Universität zu Köln, Germany) and Sven Voelpel (Jacobs University Bremen, EBS Business School, Germany) : “Attenuating HRM’s impact: Moderating effects of age and maintenance-enhancing HR practices on work outcomes”
Discussants: Kathleen Bentein and David Patient

16h20-17h00: Juani Swart, Nicholas Kinnie and Zeynep Yalabik (University of Bath, UK) : “What makes me stay? An analysis of the multiple foci of employee commitment in Professional Service Firms”
Discussants: Kathleen Bentein and David Patient
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HOW MUCH FLEXIBILITY IS IDEAL? THE RELATIONSHIP BETWEEN FLEXIBILITY I-DEALS AND EMPLOYEE ATTITUDES

Anjali Chaudhry (Saint Xavier University, Chicago)  
Prajya Vidyarthi, (Indiana University)  
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ABSTRACT

Flexibility i-deals, defined as customized flexible work arrangements negotiated between employees and employers, are intended to benefit both parties. Research on flexibility i-deals points to ambiguous findings concerning their proposed benefits. We developed and empirically investigated a framework, designed to resolve these ambiguous results, that examines flexibility i-deals from two perspectives- employees’ entitlement beliefs and organizations’ reciprocity beliefs. Consistent with the proposed model, within a sample of 235 employees and 42 managers, we found that at low and high levels, flexibility i-deals resulted in high perceived organizational support (POS), low turnover intentions, and high career satisfaction. At moderate levels of flexibility, the effects of i-deals on these employee attitudes were reversed.

Keywords : Idiosyncratic deals (i-deals), flexible work arrangements, perceived organizational support (POS), career satisfaction, turnover intention

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Please do not circulate, cite, quote or copy without author's permission!
The prominence of standardized human resources practices, touted as an equitable and effective mechanism for garnering positive employee attitudes and behaviors, is being overshadowed by increasing utilization of non-standardized employment practices (Greenberg, Roberge, Ho, & Rousseau, 2004). This trend is in response to the increasing complexity of work environments and tremendous cost-constraints that have challenged organizations to find unique ways to attract, motivate, and retain valued employees. Therefore, work arrangements, such as flexible work-hours and customized work-schedules, are now competitive tools offered to address the needs and heightened expectations of employees (Rousseau, 2005).

Rousseau and her colleagues examine this phenomenon in their research on idiosyncratic deals, defined as personalized employment arrangements negotiated between individual workers and employers intended to benefit both parties (Greenburg et al., 2004; Hornung, Rousseau, & Glaser, 2008; Rousseau, 2005). I-deals are theorized to be win-win in nature for both parties as i-deals enable employees to adapt work arrangements to better suit their personal needs, values and preferences, while benefitting the organizations through enhanced productivity, and decreased absenteeism (Greenberg, et al., 2004; Rousseau, Ho, & Greenberg, 2006). Empirical research on i-deals supports the notion that i-deals are key determinants of salient employee attitudes (e.g., increased job satisfaction, reduced work-family conflict; Hornung et al., 2008) and behaviors (OCBs; Anand, Vidyarthi, Liden, & Rousseau, in press). Two forms of i-deals have been theorized and empirically investigated—special flexibility in work hours, referred to as flexibility i-deals, and special opportunities for skill and career development, termed as developmental i-deals (Hornung et al., 2008; Rousseau, 2005; Rousseau & Kim, 2006). Our research focus is on flexibility i-deals.

Emerging research on flexibility i-deals as well as on non-standard work arrangements suggests that flexible arrangements have a tremendous potential to shape employee attitudes and behaviors in the workplace (Golden, 2008; Guest, 2004; Hornung et al., 2008). However, certain ambiguous as well as counter-intuitive findings spell caution and call for closer examination of the construct and its impact on salient employee outcomes. Hornung et al. (2008) hypothesized, but failed to find support for, relationships between flexibility i-deals and affective commitment, or between flexibility i-deals and employer expectations for enhanced performance of i-dealers (i.e., recipients of i-deals). Research by Martens, Nijihuis, Van Boxtel, and Knottnerus (1999) on the related but distinct area of flexible work schedules (FWS), found rotating shifts, compressed weeks, and irregularly changing hours to be associated with increased problems related to physical and psychological performance in relation to a control group of workers with non-flexible work schedules. A meta-analytical study by Baltes, Briggs, Huff, Wright, and Newman (1999) found that the positive effects of flexible work arrangements on key outcomes such as productivity, absenteeism, job satisfaction tended to diminish over time. Additionally, the degree of flexibility accorded significantly affected the results. These findings suggest potentially complex effects of customized terms of employment related to work schedules on employee responses.

In this paper, we develop and test a framework examining the relationships between flexibility i-deals and key employee attitudes. To better understand the nuanced nature of flexible work arrangements, we focus on two complementary conceptual perspectives: (1) employee beliefs that the organization needs to provide certain valued arrangements to which the employee feels entitled, and, (2) employer beliefs that recipients of i-deals provide commensurate contributions. We refer to these perspectives as entitlement perspective and reciprocity.
perspective, respectively. We posit that the incongruence between employee and employer perspectives manifests itself in a curvilinear relationship between flexibility i-deals and salient employee attitudes in which outcomes are most favorable at low and high levels of flexibility ideals, and least favorable at moderate flexibility levels. Our approach parallels the work of social exchange researchers who have theorized and empirically examined degree of balance between employee and employer inducements and contributions (Shore & Barksdale, 1998; Tsui et al., 1997). We attempt to extend this line of research by investigating i-dealers’ responses to the special work arrangements provided by employers. Additionally, we integrate the employer’s perspective empirically by assessing managers’ ratings of the extent to which employees are recipients of flexibility i-deals.

In the context of employment relationships, the focus has been on employee beliefs regarding the reciprocal obligations with relative neglect of perspective of the other party in the relationship, the employer (Taylor & Tekleab, 2004; Tekleab & Taylor, 2003; Shore et al., 2004). However, as Tsui, Pearce, Porter, and Tripoli (1997) note, it is important to incorporate the organization’s view, because it sheds light on the nature of employer’s beliefs about contributions it anticipates from employees and the inducements it uses to effect the desired contributions. This may be especially relevant in the context of customized arrangements, as these require special accommodations that could have costs attached in terms of time or revenue lost (Rousseau, 2005) and raise potential questions of fairness by other stakeholders (Greenberg et al., 2004; Lai, Rousseau, & Chang, 2009).

Our framework of flexible work arrangements addresses the inconsistent results related to the outcomes of flexibility i-deals by considering the potential for non-linear effects. We investigated the impact of flexibility i-deals on three employee attitudes: employees’ ratings of perceived organizational support (POS), career satisfaction and employees’ turnover intentions. POS is defined as employee beliefs regarding the extent to which the organization values their contributions and cares for their well-being (Eisenberger, Huntington, Hutchison, & Sowa, 1986). Through POS, employees infer the extent to which the organization is supportive as reflected in various policies, practices, and treatment, and reciprocate such support with increased loyalty and performance (Rhoades & Eisenberger, 2002). Career satisfaction reflects an employee’s level of engagement in the organization. Career satisfaction, a measure of subjective career success, is of interest not only to individuals, but also to the organizations as an employee’s personal success can and does contribute to organizational success (Ng, Eby, Sorenson, & Feldman, 2005; Sturges, Conway, Guest, & Liefooghe, 2005). An employee’s intent to quit is often accompanied by a process of psychologically withdrawing from the organization before the actual turnover (Burris, Detert, & Chiaburu, 2008). Several theories of turnover have been put forward that highlight the importance of examining a variety of predictors as well as the process that underlies employee withdrawal from an organization (Griffeth, Hom, & Gaertner, 2000; Lee & Mitchell, 1994). We examine whether the degree of flexibility i-deals accorded to employees impacts cognitions of turnover.

I-deals and the entitlement and reciprocity perspectives

Greenberg et al. (2004) define i-deals as “voluntary, personalized agreements of a non-standard nature, negotiated between employers and employees with respect to the terms of the employment” (2004:3). I-deals are referred to as “idiosyncratic resources” (Rousseau, 2005: 177). In contrast, benefits that are made available to all employees are termed “standardized resources” (Rousseau, 2005:175). The distinction between idiosyncratic and standardized
resources is important. Flexibility i-deals, which are the focus of the current investigation, represent idiosyncratic resources. Flexible work schedules (FWS; Brewer, 2000) that organizations offer as an HR strategy, work re-organization tool, or job amenity represent standardized resources. Both flexibility i-deals and FWS may encompass compressed workweeks, flextime or telecommuting, but FWS practices are offered to all employees, whereas flexibility i-deals are characterized by individualized, negotiated, and non-standard arrangements that create within-group variability. Furthermore, in the case of flexibility i-deals, employees actively seek out such flexible work arrangements to suit their lifestyle needs, whereas, organizations offer FWS as an HR practice signaling their desire to be an employee-friendly place to work.

The heterogeneity inherent in i-deals is reflected not only in the nature of arrangements that vary in scope and degree of flexibility among recipients, but also in how these are understood and why these are sought and provided by the interested parties, employees and the employer (Greenberg et al., 2004; Rousseau, 2005). Granting of flexibility i-deals is viewed by an employee as an indication of the value the organization places on the employee (Rousseau et al., 2006). On the other hand, employers view the granting of a flexibility ideal as a way to help employees become more efficient by helping them balance personal and work demands (Rousseau, 2005), ultimately providing a payback to the organization in the form of reciprocation for the i-deal, such as engagement in organizational citizenship behaviors (OCBs) (Anand et al., in press). Furthermore, the motivation to seek and grant i-deals tends to differ for each party. Employees seek flexibility as a means to address work-family balance and quality of life issues (Rousseau, 2005) as well as work-related reasons, such as need for control over job, and work meaning (Wrzesniewski & Dutton, 2001). Conversely, employers primarily grant i-deals as a means of courting reciprocity from employees in the form of positive attitudes and behaviors toward the organization (Rousseau, 2001).

Research on the incongruence in perceptions of employee and employer within the employment relationships is salient for understanding the effect of employer granted i-deals on employee attitudes. First, employee and employer not only may have vastly different interpretations of each party’s inducements and contributions (Tekleab & Taylor, 2003; Morrison & Robinson, 2004), they also tend to overestimate their own contributions and underestimate the other party’s contributions (Lester, Turnley, Bloodgood, & Bolino, 2002; Robinson, Kraatz, Rousseau, 1994). Social cognition literature has highlighted biases that lead to these inaccuracies in perceptions. Two such biases are salient to this discussion. Termed the ‘Lake Wobegon’ effect, the tendency to judge oneself better than others (Zuckerman & Jost, 2001: 207) has been examined in a variety of contexts. In the workplace, this bias contributes to employees’ beliefs that they are ‘better than average’ and therefore, deserve to be treated better than others. This may translate into a feeling of entitlement related to customized work arrangements provided to the employee by the organization. The second type of bias is people’s tendency to expect past behavior to continue in the future (Ross, Lepper, & Hubbard, 1975). In the case of i-deals, an employee takes for granted that the organization will continue to provide non-standard work arrangements irrespective of any action on the part of the employee. Although this tendency is relevant to any type of i-deal, compensation research has highlighted this as the “sticky wage” phenomenon, which suggests that employees expect to receive wages at the same levels or higher but never less than the current levels (Rousseau & Greller, 1994). This tendency contributes to some extent to the routinization of non-standard arrangements in the minds of employees. Such biases contribute to an employee’s perception of entitlement for an i-deal.
To explain the organization’s reciprocity perspective, we draw on social exchange theory, which postulates that the actions of individuals are motivated by the return they are expected to bring. Thus, the proactive actions of one party are based on expectations that these would serve as a “starting mechanism” (Blau, 1964:92) that fosters reciprocal actions from the other party. This expectation of reciprocity underlies an organization’s decision to grant i-deals (Rousseau, 2005). A distinguishing characteristic of social exchanges is that these exchanges entail unspecified returns, termed “diffuse future obligations” (Blau, 1964:93). Thus, organizations as grantors of i-deals have expectations of future returns of valued contributions from the employee receiving i-deals, but they may neither stipulate nor bargain for the exact nature of these contributions. This reflects a striking dichotomy when one considers that i-deals, by definition, are proactively sought and negotiated by employees to enhance their employment arrangements. We refer to this phenomenon as the employer’s reciprocity perspective and explain it in terms of the organization’s acquiescence with employee demands being driven by anticipation that the employee will reciprocate by providing commensurate contributions that benefit the organization.

Taken together, the entitlement and reciprocity perspectives suggest a disconnect in employee and organization viewpoints regarding flexibility i-deals and provides the foundation for an explanatory framework of the relationship between flexibility i-deals provided by the organization and salient work-related attitudes of the employees. There is reason, however, to expect that this relationship is not linear. This is because at low degree of i-deals, employees benefit from even a small degree of flexibility, but there is a low anticipation of reciprocity from the organization; at moderate degree of i-deals, we contend that organizational expectations of employee reciprocity overshadow the benefits of flexibility accorded them, and finally, at very high degree of i-deals providing great flexibility, the advantages to employees outweigh the reciprocal response sought of the organization. Thus, we hypothesize a U-shaped relationship between flexibility i-deals and employee POS, turnover intention, and career satisfaction.

Curvilinear Relationship between Flexibility I-deals and Employee attitudes

Rousseau (2005) postulated that the extent to which a standard employment package is replete with valued practices, the less individual workers need to bargain to obtain desirable work conditions. Organizations grant low levels of i-deals in response to a number of requests, as illustrated by the case of older workers looking for fewer work hours rather than complete retirement, or a regular employee who would like to start the day an hour late to handle pre-school start times. Thus, in some instances, employees seek accommodations that are not substantial in terms of scope, yet are important in addressing their unique needs. Organizations are willing to provide these minor accommodations, as these do not require much effort. At low levels of i-deals, an employee may obtain valuable and individualized provisions from the organization with limited expectations of reciprocity by the employer. Therefore, at these low levels, i-deals granted by the organization are welcomed as an indication of caring for the employee. From a social exchange perspective, such deals signal the organization’s willingness to engage in the exchange of valued resources, and therefore translate into high employee ratings of POS.

Furthermore, when employees seek out and are granted minor accommodations in terms of flexible work arrangements, employees are likely to be satisfied with their work conditions and less motivated to expend additional effort to re-craft their work environment (Wrzesniewski & Dutton, 2001). This may translate into engagement with the job to the extent that the employee’s needs for flexible arrangements are met. Therefore, we contend that these employees exhibit low
turnover intentions. Additionally, the organization’s acquiescence with employee demands for flexibility, even at low levels, is an indication of higher status for the recipient than others who do not enjoy those special arrangements, and is viewed as a sign of internal marketability of the employee—a belief that one is valuable to one’s current employer (Eby, Butts, & Lockwood, 2003), an important criterion for career satisfaction (Arthur & Rousseau, 1996).

To explain employee responses to i-deals offering a moderate degree of flexibility, we turn to the dichotomy inherent in employee’s entitlement and organization’s reciprocity beliefs. As demand for flexibility i-deals increases, organizations are likely to be hard-pressed to provide these while walking the fine line between being viewed as unfair by other stake holders and granting flexibility to i-deal seekers (Rousseau, 2001). The entitlement perspective suggests that as employees get accustomed to the special arrangements, they begin to view these as a norm rather than a differentiated work arrangement (Greenberg et al., 2004; Rousseau, 2001). The routinization of non-standard work arrangements results in diminishing value attached to these arrangements, and therefore, reduced goodwill towards and appreciation of the organization, the grantor of these arrangements. Viewed from the organization’s perspective, a parallel process of increasing anticipation related to employee reciprocal responses occurs. In other words, as organizations grant increasing degree of i-deals, there is a heightened belief that the recipient employee will provide enhanced contributions. Employees, on the other hand, who were driven more by a sense of entitlement than the desire to increase their contributions, feel the burden of receiving desired resources with strings attached. As the employees gain awareness of the organization’s enhanced expectations, i-deals may be viewed as an inconvenience rather than a benefit, and thus, may no longer produce incremental positive effects on employee POS. Indeed, findings from previous research attest to the downside of increasing flexible schedules such as rotating shifts, compressed work-week, and irregularly changing hours on workers’ psychological and physical well-being (Martens, Nijhuis, Boxtel, Knottnerus, 1999; Nollen, 1981).

Research in career management and training (Sturman, Boudreau, & Corcoran, 1996; Kossek, Roberts, Fisher, & Demarr, 1998) also suggests that organizations are likely to wash their hands of some traditional obligations, such as career development as a way to balance the scales when providing increasing levels of individualized arrangements. For instance, a study by Kossek et al.(1998) found that organizations provided special training programs to not only address employee needs for career success but also to shift the responsibility of career development from the organization to the employee. As employees struggle with increased responsibility of their career management, the satisfaction level is likely to drop as they endure the double duty of addressing needs required by higher levels of flexibility i-deals as well as the added burden of managing their career. Therefore, we postulate that at increasing degrees of i-deals, there is a downward effect on employee POS and career satisfaction, as well as increased intentions to quit.

High level i-deals exemplify successful negotiation for unique customized arrangements (e.g., working from home) and reflect a unique status for the employee because such i-deals are likely to be given to employees who have established their credentials as high performance workers. Research suggests that while reasons for granting minor accommodations (i.e., low level ideals) are varied, such as employee rehabilitation or making up for a past breach of promise (Hornung, Rousseau, & Glaser, in press), high levels of i-deals are granted to a privileged few as rewards for their exceptional contributions, or those enjoying a high-quality employment relationship based on mutuality and reciprocity (Rousseau, 2005). These valued employees are
also more likely to successfully bargain for highly flexible arrangements, while organizations challenged by economic pressures to provide valued non-monetary compensation are more than willing to grant high degrees of customized arrangements. Flexible i-deals provide employees greater freedom and discretion for using their time to pursue opportunities that will enhance their career success (Guest, 2004; Morrell & Simonetto, 1999). Furthermore, these non-standard arrangements reflect successful conclusion of employees’ efforts in shaping their work experience to their satisfaction, and thus, dampen any inclination to leave the organization. In sum, very high levels of customized work arrangements are likely to enhance employee perceptions of a supportive and caring organization, and manifested in the form of high POS, increased career satisfaction and lowered turnover intention (Richman, Civian, Shannon, Hill, & Brennan, 2008).

Hypothesis 1. The relationship between flexibility i-deals and POS is U-shaped, such that POS is high at low and high levels of flexibility ideals, but POS is relatively lower at intermediate levels of flexibility i-deals.

Hypothesis 2. The relationship between flexibility i-deals and career satisfaction is U-shaped, such that career satisfaction is high at low and high levels of flexibility ideals, but career satisfaction is relatively lower at intermediate levels of flexibility i-deals.

Hypothesis 3. The relationship between flexibility i-deals and turnover intentions is inverted-U shaped, such that turnover intention is low at low and high levels of flexibility ideals, but turnover intention is relatively higher at intermediate levels of flexibility i-deals.

Method

Sample

We tested our hypotheses with a sample of software development professionals and technical support engineers working in a large information technology company in India. Because of the need to provide 24/7 services to offshore clients, flexibility in work arrangements was highly desired. While, the organization did not offer customized schedules as an HR practice, i-deals sought by some employees were provided by the organization at varying degrees of flexibility.

Data were collected using paper and pencil surveys administered by one of the authors during each work shift over a period of 4 days. In order to ensure confidentiality, employee and supervisor surveys were conducted in two different rooms. A total of 246 employees and 58 managers chose to participate in the survey. Some participants did not complete the survey or provided unclear responses leading us to exclude their surveys. We also excluded surveys where dyadic responses from employees and leaders could not be matched. After these exclusions our sample consisted of 235 complete supervisor/subordinate dyads (235 employees, response rate = 95%; and 42 managers, response rate = 72%).

Seventy-eight percent of the employees were male. The average employee job tenure was 22.34 months (s.d. = 24.10). The average respondent age was 26.16 years (s.d. = 4.37). All study participants had at least a bachelor degree. All responses were measured on 7-point scales (e.g., 1 = strongly disagree, 7 = strongly agree), and scale items were averaged with higher scores indicating a greater degree of the underlying construct.
Managers responsible for making the weekly work schedule for employees provided the rating of flexibility i-deals offered to each employee. We chose to obtain flexibility ratings from managers because they were intimately familiar with flexibility in work arrangements of employees across different shifts.

**Measures**

*Flexibility Idiosyncratic Deals.* We used the two-item flexibility dimension of the i-deals measure used by Hornung et al. (2008). Managers responded to the following items for each of their employee reports, “This employee is given flexibility in starting and ending his/her workday” and “This employee has individually customized work schedule”.

*Perceived Organizational Support (POS).* We used the 9-item version of the POS scale (Eisenberger et al., 1986; Eisenberger, Fasolo, & Davis-LaMastro, 1990). An example item is, “My organization really cares about my well-being”.

*Career Satisfaction.* We used the 5-item scale developed by Greenhaus, Parasuraman, and Wormley (1990) to measure an employee’s level of career satisfaction. An example item is, “I am satisfied with the progress I have made toward meeting my overall career goals”.

*Turnover Intentions.* We used 3-items from the scale developed by Bozeman and Perrewe (2001). The boom in India’s information technology (IT) industry in the past decade fueled by outsourcing and increased foreign investment, has created a high demand for talented IT professionals and contributed to turnover rates of 25 to 30% in this industry (Sharan, 2009). Because employee turnover results in considerable costs and disruption for organizations, we believe managers may be particularly attentive to signals of employee withdrawal. Conversely, employees will be less forthcoming regarding their intentions to leave. Therefore, we adapted the turnover intention measure to enable managers’ rating of employees’ turnover intentions. An example item is, “This employee will probably look for a job in the near future”.

*Control variables.* To eliminate the possibility that flexibility i-deals might be influenced by employees’ employment characteristics and demographics, we controlled for employee age, job tenure, and sex similarity with manager in all analyses. Further, to take into account managers’ organizational tenure and age affecting their capability in granting flexibility i-deals, we included those two variables as group level control variables.

**Analytical Approach**

Employees in our sample were nested within work groups such that employees performed similar tasks, interacted with coworkers within groups and were supervised by same manager within a group. Therefore it was possible that employees’ perceptions of organizational support and career satisfaction may partly be influenced by the group characteristics. Also employees’ turnover intention ratings were provided by the respective managers. Because managers provided ratings for all employees in their groups, the assumption of non-independence in data was violated. Given the possibility of group membership effects on POS and career satisfaction, and rater bias in rating of turnover intentions, we calculated the ICC scores for all three outcome variables to determine the level of within- and between-group effects. The ICC(1) value for POS was .11 indicating that 11% of variance resided at group level. The ICC(1) value for career satisfaction was .08 indicating that 8% of variance was due to group membership. The ICC (1) value for turnover intentions was .67 indicating that 67% of variance was attributable to differences between managers. Following Bliese’s (2000) recommendation to use the appropriate
data modeling technique to account for group-level effect in POS, career satisfaction and turnover intention, we used multi-level data modeling technique (HLM: Raudenbush & Bryk, 2002) to test our hypotheses. We used HLM version 6.06 with Restricted Maximum Likelihood (RML) estimation method for all analyses.

All predictor variables in our models were grand mean centered to provide estimates that could be easily interpreted (Raudenbush & Bryk, 2002). Further given that test of curvilinear relationship required inclusion of quadratic as well as linear terms, grand mean centering provided computational advantage by reducing undesirable multi-collinearity between these two terms.

Following Aiken and West’s (1991) procedure for testing non-linear relationships, we modeled the following equations in HLM to test Hypothesis 1.

Level 1: \[ \text{POS} = \beta_{00} + \beta_{c0} (\text{individual level controls}) + \beta_{10} (\text{flexibility i-deals}) + \beta_{20} (\text{flexibility i-deals squared}) + r_{ij} \]

Level 2: \[ \beta_{00} = \gamma_{00} + \gamma_{c1} (\text{group level controls}) + u_{0j}; \beta_{c1} = \gamma_{10}; \beta_{1j} = \gamma_{10}; \beta_{2j} = \gamma_{20}; \]

In the above equation, \( \gamma_{20} \) had to be positive and significant, and \( \gamma_{10} \) had to be non-significant to indicate the presence of U-shaped relationship between flexibility i-deals and POS.

Hypothesis 2 predicted a curvilinear relationship between flexibility i-deals and career satisfaction, and was tested through a similar model with career satisfaction as the outcome variable. Finally, Hypothesis 3 predicted an inverted-U shaped non-linear relationship between flexibility i-deals and turnover intention. We expected \( \gamma_{20} \) to be negative and significant and \( \gamma_{10} \) to remain non-significant to indicate the presence of inverted-U shaped relationship between flexibility i-deals and turnover intention.

**Results**

Prior to hypothesis testing, we performed confirmatory factor analyses (CFA) to assess fit between the proposed model and the data. Using LISREL 8.71 (Jöreskog & Sörbom, 2004), we specified four separate factors for POS, career satisfaction, turnover intentions and flexibility i-deals. In the CFA model each item was constrained to fall under a single factor and the factors were allowed to correlate \( \chi^2 (146) = 385.02; \text{IFI} = .96; \text{CFI} = .96; \text{SRMR} = .04; \text{RMSEA} = .08 \). Though the RMSEA was slightly above the recommended value of .06, acceptable fit was indicated by IFI of .96, CFI of .96 and SRMR of .04 (Hu & Bentler, 1999). Further, chi-square tests indicated that the proposed model fit the data better than alternative models with fewer factors, and a one-factor model fit data poorly \( \chi^2 (152) = 1203.44; \text{IFI} = .84; \text{CFI} = .84; \text{SRMR} = .31; \text{RMSEA} = .19 \). Means, standard deviations, and bivariate correlations among the study variables are presented in Table 1.

**Hypothesis Testing**

We predicted a U-shaped relationship between flexibility i-deals and POS (Hypothesis 1). To test this hypothesis, we regressed POS on flexibility i-deals and its squared term. The parameter estimates are presented in Table 2. Results indicated that although flexibility i-deals did not have a linear effect on POS \( \gamma_{10} = .05, ns \), there was a curvilinear association between
the two variables ($\gamma_{20} = .06, p < .05$). The pattern of results (i.e., non-significant linear effect in presence of positive and significant curvilinear effect) indicated a U-shaped relationship between flexibility i-deals and POS (Aiken & West, 1991) supporting Hypothesis 1. The relationship between flexibility i-deals and POS showed a negative or downward trend at lower levels of flexibility i-deals and a positive or upward trend at higher levels of flexibility. The curvilinear relationship is illustrated in Figure 1.

Hypothesis 2 regarding the U-shaped relationship between flexibility i-deals and career satisfaction was tested in a similar manner. As shown in Table 2, flexibility i-deals did not show a linear relationship with career satisfaction ($\gamma_{10} = .02, ns$), but it did have a significant curvilinear effect ($\gamma_{20} = .09, p < .05$). The pattern of these results indicated a U-shaped relationship between i-deals and career satisfaction, supporting Hypothesis 2. The curvilinear relationship is pictorially represented in Figure 2.

Finally, we hypothesized that the non-linear relationship between flexibility i-deals and turnover intentions would follow an inverted U-shape (Hypothesis 3). We regressed turnover intentions on linear as well as squared flexibility i-deals terms. Results in Table 2 revealed that while flexibility i-deals did not show a linear relationship with turnover intentions ($\gamma_{10} = -0.13, ns$), it had a negative and significant curvilinear effect ($\gamma_{20} = -0.06, p < .05$), thus supporting Hypothesis 3. The relationship is pictorially represented in Figure 3.

Discussion

Increasing demand for “flexibilization” (Martens et al., 1999: 35) and its acceptance is based on the premise of presumed gains accruing for the employee as well as the organization (Dick, 2009; Golden, 2008; Richman et al., 2008). We explored this premise by investigating the nature of relationships between the degree of flexibility introduced into employees’ jobs and key attitudinal outcomes. Results of the study revealed that the benefits of flexibility i-deals are more complex than previously theorized. As hypothesized, the relationships between flexibility i-deals and employee attitudes regarding POS, career satisfaction, and turnover intention were non-linear: high ratings of POS and career satisfaction and low turnover intention were reported at low and high levels but not at intermediate levels of flexibility i-deals. We developed a theory-based explanation of curvilinear effects of flexibility i-deals and tested it on three outcome exemplars and thus, raise the possibility that flexibility i-deals may have similar effects on other outcomes, affective, attitudinal, as well as behavioral. Our theoretical framework employing the idea of employee seeking flexibility i-deals driven by a sense of entitlement and the organization’s granting flexibility i-deals with the anticipation of employee reciprocal response suggests that to the extent there are differences in employee and organization perspectives, potential benefits of flexibility i-deals will not be fully realized.

Theoretical Implications

The current research offers a number of important theoretical implications. First, the non-linear relationship between flexibility i-deals and employee outcomes suggests that the

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1 Hofmann & Gavin (1998) state that grand-mean centering of a predictor variable at level 1 can sometimes produce spurious results. To rule out such a possibility, we ran an additional model where group-mean centering of the flexibility i-deals term replaced the grand-centered term at level 1, and the group-mean of the flexibility i-deals term was introduced in the level 2 intercept model (Hofmann, Griffin, & Gavin, 2000). The parameter estimates across these two models were identical, thus ensuring that the reported result is not spurious.
competing forces of entitlement and reciprocity beliefs may jointly shape employees’ perceptions and attitudes. These findings seem counter to the previously held theoretical view that employees may develop incrementally more positive perceptions and attitudes with increasing levels of flexibility i-deal (Greenberg et al., 2004; Hornung et al., in press). It appears that employees evaluate the benefits obtained from flexibility against the strain put forth by their organization’s reciprocal expectations. Our argument is consistent with the rule of rationality among other rules of social exchange that guide an individual’s choices and responses (Meeker, 1971). Weber (1947) defined rationality as the use of logic to maximize returns or values for oneself. Our findings suggest that previous studies showing a linear association between flexibility i-deals and outcomes (e.g., Hornung et al., 2008) may represent exceptions or may result from statistical artifacts. Thus, we encourage a systematic empirical exploration and theory development in flexibility i-deals, as publication bias (Rosenthal, 1979) may result in findings with non-significant or weak linear relationships to remain unpublished.

Another implication of this research arises from the outcome variables investigated in the study. The results of the study suggest that employees’ overall perception of organizational support may accrue from a multitude of factors. Evidence from the study data suggests that employees’ perceptions of organizational support (POS) are affected by at least two pathways, namely, employee’s entitlement beliefs and organization’s reciprocity beliefs. Thus, the effect of organizationally granted flexibility on POS may involve employees’ rational decision process balancing the valued individual gains against the reciprocal burden imposed. Our finding supports the line of research that suggests POS comprises more than one dimension (Kraimer & Wayne, 2004; Rhoades & Eisenberger, 2002). Thus, in some instances, the dimension related to ‘cares for my well-being’ may need critical attention as high ratings for this dimension may come with strings attached when examining customized deals that employees enjoy.

The study contributes to career satisfaction literature by suggesting that employees hold their employers partly responsible for career advancement in a complex way. This theme is particularly interesting because a growing body of research on boundaryless careers suggests that employee career satisfaction may transcend many employers (Arthur & Rousseau, 1996). Boundaryless career research examines opportunities for an individual that go beyond any single employer (DeFillippi & Arthur, 1996) reflecting greater ‘independence from, rather than dependence on traditional organizational career arrangements’ (Arthur & Rousseau, 1996). However, the current study echoes the recent findings in employment relationship research that suggests individuals still retain traditional ideas about the extent to which their employer should help them in managing their career, and that if their expectations are not met, employees hold a negative view of the employment relationship (Sturges et al., 2005).

Finally, our contribution to turnover theory is noteworthy because researchers have conceptualized turnover as a culmination of multiple forces (Griffeth, Hom, & Gaertner, 2000; Hom, Roberson, & Ellis, 2008; Lee & Mitchell, 1994). Our findings lend support to the recent conceptualization of turnover in that employees’ intentions may include calculative forces (Maertz & Griffeth, 2004). It appears that research should also invoke the non-affective rational rules of social exchanges (Cropanzano & Mitchell, 2005; Meeker, 1971), besides affective triggers, to explain the complex relationship between antecedents and turnover. It is likely that the strain associated with increased demands from organization, which comes with increasing flexibility i-deals, may dilute the potential gains employees obtain from these customized work arrangements. It is only with very high levels of flexibility, such as employees enjoying star
status, that the benefits outweigh the burden resulting in diminishing tendencies of withdrawal. Thus, the current research suggests a refinement in the current operationalization of social exchange theory by suggesting that multiple rules of exchange be included in order to fully understand the effects on employee outcomes.

**Practical Implications**

From a managerial perspective, the non-linear effects of flexibility i-deals spell caution for organizations viewing such individualized practices as a magic wand that serves to attract, motivate, and retain valued employees without having to resort to monetary rewards. A key takeaway of our research for practitioners is to seek out information on employee expectations as well as actively manage these expectations as a means to stem employees’ sense of entitlement related to these arrangements. Literature on realistic job preview has highlighted the benefits of managing initial expectations (Phillips, 1998). In a similar vein, psychological contract research points to the dynamic and evolving nature of promises (Montes & Irving, 2008) and how they can be actively shaped by organizations through the process of social accounts and explanations (Rousseau & Tijoriwala, 1999). Our findings further attest to the importance of the employee and the employer being *on the same page* when crafting specialized work arrangements. An open door policy would be a good approach to follow, not only for seeking information on what employee wants in terms of flexible work arrangements, but also for communicating what the employer wants in return for granting such special arrangements. Without a clear understanding of mutual expectations, i-deals are not going to yield the benefits for the employee or the organization.

Further, our results suggest another caveat. We found low levels of flexible work arrangements to result in gains commensurate with those cases where high levels of flexibility were provided. Thus, it behooves organizations to heed to the needs and demands of employees who seek small accommodations in their work hours. The gains from acquiescing to these small demands may be substantial, reflected in employee perceptions of supportive and employee-friendly organization and thus, help establish an organization’s status as an ‘employer of choice’.

**Strengths, Limitations and Directions for Future Research**

Overall, the study has several strengths that lend confidence to our results. Measurement of flexibility i-deals using managers’ ratings rather than employee self-reports allowed us to eliminate common source bias as a potential explanation for findings of the study. The use of a multi-level analytical approach enabled testing of the nested nature of the relationships. A large sample of 42 managers and 235 employees, and incorporation of a number of relevant control variables helped eliminate alternative explanations of the results. Further, inclusion of outcome variables rated by employees (e.g., POS) as well as managers (e.g., turnover intention) largely eliminates the potential common method explanation for the results. Finally, rigorous evidence to support our theoretical framework arises from empirical test of non-linear effects of flexibility i-deals on both positive (e.g., career satisfaction showed U-shaped relationship) and negative (e.g., turnover intention showed an inverted U-shaped relationship) outcomes.

Despite these strengths, some limitations of the study need to be considered that suggest caution in interpreting the results as well as help identify future research directions. First, our theoretical model draws on incongruence related to employee and employer beliefs as an
explanation of non-linear effects of flexibility i-deals; however, we did not assess these beliefs empirically from both parties. Moreover, because the measure of flexibility i-deals was assessed from the employer, the employee side of i-deals can only be inferred. Second, although we employed the same scale used in previous research (Hornung et al., 2008) to measure flexibility i-deals, this measure contains only two items. In order to more accurately assess the reliability of this measure, we recommend the development of a scale containing 3 or more items. Third, even though we investigated non-linear relationships, which are unlikely to result from common source common method bias, we acknowledge that the cross-sectional design of our study limits us from drawing conclusive evidence on the causality between the variables of interest. Furthermore, the use of managers’ assessments of employee turnover intentions in order to address the context of high-demand labor markets, unfortunately, raises the specter of single-source bias in our results for flexibility i-deals and turnover intention. Thus, future research is needed that incorporates other research designs such as experimental and/or longitudinal research to help confirm the directionality of the tested relationships. Fourth, despite clear statistical support for the hypothesized relationships, variance explained by the squared terms in the models was modest. Finally, although the current study examined a number of outcomes, no behavioral variable was examined. In replicating and extending findings of this study, future researchers should consider including measures of job performance, citizenship behaviors, and actual turnover.

We hold that the findings of the current study are only a first step towards elucidating the complex relationship that exists between flexibility i-deals and employee outcomes. One possible extension of this line of research may entail identifying individual- and organizational-level moderators to the hypothesized relationships. For example, self-monitoring (Rosen, Chang, & Levy, 2006) may show a dampening effect on i-deals→outcome relationships because vigilant employees may not only observe special conditions accorded to them but also psychologically respond to the reciprocal obligations expected of them.

Finally, future studies may attempt to adopt a more refined approach in actually measuring the competing expectations to illustrate the validity of the arguments presented in this paper. Specifically, follow up studies may test the mediating mechanism- entitlement versus reciprocation, more directly by assessing these forces at various levels of flexibility i-deals.

In conclusion, we tested a hypothesized model of non-linear relationships between flexibility i-deals and employee outcomes to capture the tension between entitlement and reciprocity beliefs that capture employee and organization viewpoints respectively. Our results suggest that the inconsistent results of the prior studies may be because the potential for non-linear effects was not considered in earlier research. As more employees seek to customize their work arrangements and organizations acquiesce to these demands, it is important to highlight the potential downside due to lack of attention paid to the motivations underlying both parties as employees seek flexible i-deals from employers and employers grants i-deals to employees.
REFERENCES


<table>
<thead>
<tr>
<th>TABLE 1</th>
<th>Means, Standard Deviations and Correlations among Study Variables</th>
<th></th>
<th></th>
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<th></th>
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<td></td>
<td>Mean</td>
<td>SD</td>
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<td>3</td>
<td>4</td>
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<tr>
<td><strong>Individual level</strong></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>1</td>
<td>Employee age (years)</td>
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<td>24.10</td>
<td>-.08</td>
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<td>3</td>
<td>Sex similarity&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.73</td>
<td>.44</td>
<td>.17**</td>
<td>.04</td>
<td>-</td>
<td></td>
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</tr>
<tr>
<td>4</td>
<td>Flexibility i-deals&lt;sup&gt;b&lt;/sup&gt;</td>
<td>5.44</td>
<td>1.09</td>
<td>.13*</td>
<td>-.03</td>
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<td>-</td>
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<td>5</td>
<td>POS</td>
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<td>.02</td>
<td>.02</td>
<td>-.09</td>
<td>(.93)</td>
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<td>6</td>
<td>Career satisfaction</td>
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<td>1.45</td>
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<td>.01</td>
<td>.09</td>
<td>-.08</td>
<td>.59**</td>
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<td>Turnover intentions</td>
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<td>.17**</td>
<td>.14*</td>
<td>-.14*</td>
<td>-.03</td>
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<td><strong>Group level</strong></td>
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<td>8</td>
<td>Manager age (years)</td>
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<td>-.13</td>
<td>-</td>
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Note.  
Individual level N = 235; N (groups) = 42; Reliability alpha along the diagonal.  
*<i>p</i> < .05; **<i>p</i> < .01.  
<sup>a</sup> Dummy coded: 0 = different sex; 1 = same sex.  
<sup>b</sup> Hornung et al (2008) report coefficient alpha for this two-item scale as .82; The correlation coefficient between the two items in this study was <i>r</i> = .22, <i>p</i> < .01.
### TABLE 2
Results of Hierarchical Linear Modeling Analyses

<table>
<thead>
<tr>
<th>Variables</th>
<th>POS</th>
<th>Career Satisfaction</th>
<th>Turnover Intentions</th>
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<tbody>
<tr>
<td></td>
<td>Preliminary Model before testing Hypothesis 1</td>
<td>Preliminary Model before testing Hypothesis 2</td>
<td>Preliminary Model before testing Hypothesis 3</td>
</tr>
<tr>
<td>Intercept ($\gamma_{00}$)</td>
<td>6.38 (0.95, 6.67**)</td>
<td>4.67 (1.02, 4.55**)</td>
<td>1.92 (1.99, 0.96)</td>
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<tr>
<td>Employee Age ($\gamma_{c10}$)</td>
<td>0.01 (0.01, 1.19)</td>
<td>0.04 (0.02, 1.80†)</td>
<td>-0.00 (0.01, -0.39)</td>
</tr>
<tr>
<td>Employee Job Tenure ($\gamma_{c20}$)</td>
<td>0.00 (0.00, 0.82)</td>
<td>0.00 (0.00, 0.63)</td>
<td>0.00 (0.00, 1.48)</td>
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<tr>
<td>Sex similarity ($\gamma_{c30}$)</td>
<td>-0.05 (0.17, -0.30)</td>
<td>0.15 (0.24, 0.63)</td>
<td>0.07 (0.12, 0.60)</td>
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<tr>
<td>Manager Age ($\gamma_{c01}$)</td>
<td>-0.04 (0.02, -1.60)</td>
<td>-0.00 (0.02, -0.26)</td>
<td>0.04 (0.05, 0.81)</td>
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<td>Manager Org. Tenure ($\gamma_{c02}$)</td>
<td>-0.00 (0.00, -0.92)</td>
<td>0.00 (0.00, 0.35)</td>
<td>-0.00 (0.00, -1.50)</td>
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<td></td>
<td>Model to test Hypothesis 1</td>
<td>Model to test Hypothesis 2</td>
<td>Model to test Hypothesis 3</td>
</tr>
<tr>
<td>Intercept ($\gamma_{00}$)</td>
<td>6.27 (0.94, 6.61**)</td>
<td>4.44 (1.02, 4.35)</td>
<td>1.93 (1.93, 1.00)</td>
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<tr>
<td>Employee Age ($\gamma_{c10}$)</td>
<td>0.01 (0.01, 1.09)</td>
<td>0.03 (0.02, 1.73†)</td>
<td>-0.00 (0.01, -0.38)</td>
</tr>
<tr>
<td>Employee Job Tenure ($\gamma_{c20}$)</td>
<td>0.00 (0.00, 0.81)</td>
<td>0.00 (0.00, 0.56)</td>
<td>0.00 (0.00, 1.39)</td>
</tr>
<tr>
<td>Sex similarity ($\gamma_{c30}$)</td>
<td>-0.03 (0.18, -0.19)</td>
<td>0.19 (0.24, 0.78)</td>
<td>0.08 (0.12, 0.67)</td>
</tr>
<tr>
<td>Manager Age ($\gamma_{c01}$)</td>
<td>-0.04 (0.02, -1.58)</td>
<td>-0.00 (0.02, -0.14)</td>
<td>0.04 (0.05, 0.86)</td>
</tr>
<tr>
<td>Manager Org. Tenure ($\gamma_{c02}$)</td>
<td>-0.00 (0.00, -0.98)</td>
<td>0.00 (0.00, 0.26)</td>
<td>-0.00 (0.00, -1.36)</td>
</tr>
<tr>
<td>Flexibility i-deals ($\gamma_{10}$)</td>
<td>0.05 (0.11, 0.44)</td>
<td>0.02 (0.15, 0.18)</td>
<td>-0.13 (0.11, -1.13)</td>
</tr>
<tr>
<td>Flexibility i-deals squared ($\gamma_{20}$)</td>
<td>0.06 (0.03, 1.99*)</td>
<td>0.09 (0.03, 2.32*)</td>
<td>-0.06 (0.03, -2.11*)</td>
</tr>
</tbody>
</table>

Note. Individual level N = 235; N (groups) = 42; †p < .1; *p < 0.05; **p < 0.01.
FIGURE 1 Relationship between Flexibility I-deals and POS

FIGURE 2 Relationship between Flexibility I-deals and Career Satisfaction

FIGURE 3 Relationship between Flexibility I-deals and Turnover Intention
THE USE OF HUMOR IN SEXUAL HARASSMENT

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ABSTRACT

A humor attempt is a complex social interaction (Cooper, 2008), a communication event between at least two individuals that can be well- or ill-received. Research suggests that humor serves many goals beyond a desire to inspire laughter, often creating boundaries and reinforcing offensive social stigmas. The difficulty of predicting when humor will be regarded as humorous is especially complicated when events involve gender- or sex-related joking. In such cases, a multitude of factors beyond the humor message itself are critical to predicting how the event is received. The purpose of this paper is to present a conceptual model that explains the process by which sex-related humor attempts unfold in the workplace and result in perceivers labeling the action as either humorous or as sexual harassment. Our model integrates several theoretical concepts (e.g., the actor-based model of sexual harassment and the cognitive elaboration model) to explain a two-stage process of the interpretation of sexual humor attempts in the workplace. The process begins with initial reactions followed by more controlled information processing. During the information processing stage, individuals become engaged in a sensemaking loop characterized by accessing and integrating information, ultimately striving to optimize their understanding of the experience. By tracing the factors and processes involved in the interpretation of gender-related humor attempts, this conceptual model provides contributions to both research on humor in work organizations and research on sexual harassment.

Keywords: Sexual Harassment, Humor, Sensemaking

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Some behaviors are likely to cause primarily harm (e.g., physical aggression) and others more likely to cause primarily benefit (e.g., reassurance). However, other actions may result in either consequence, depending on the actor’s intention, the social context, and the perceiver’s receptivity. The use of humor is one such behavior. A humor attempt is a complex social interaction (Cooper, 2008), a communication event between at least two individuals that can be well- or ill-received. The difficulty of predicting when humor will be regarded as humorous is especially complicated when events involve gender- or sex-related joking. In such cases, factors related to the actor, perceiver, observers, social context, and humor message itself are critical to predicting how the event is received. The purpose of this paper is to present a conceptual model that explains the process by which sex-related humor attempts unfold and are subsequently judged as primarily beneficial (i.e., perceiver labels the action as humorous), primarily harmful (perceiver labels the action as sexual harassment; SH), or both (i.e., perceiver labels the action as both humorous and SH).

It has been argued that humor is in the eye of the beholder, and the definition of this construct suffers from the same subjectivity. Several conceptualizations of humor exist, each emphasizing different aspects of the construct—e.g., individual differences in humor; definitions of what makes an event funny; joke typologies; defining humor as a social interaction. In this paper, we focus on the latter, humor as a social interaction (Cooper, 2008). And, given our interest in humor as a SH-related behavior, we focus on gender- or sex-related humor, which we define as: “An event shared by an agent with another individual that can be perceived by someone in the social context (actor, perceiver, observer) to: a) be amusing, and b) carry negative gender- or sex-related messages.” Of note in this definition is that for humor attempts to raise the possibility for sexual harassment labeling, there must be both the potential for the event to be regarded as amusing (hence, it is “humor”) and as gender- or sex-related (hence the potential for SH perceptions).

Description of the Model

We provide here a short synopsis of our conceptual model and its theoretical underpinnings. The model, shown in Figure 1, is based on the actor-based model of SH interactions (O’Leary-Kelly, Paetzold, & Griffin, 2000), which begins with actor goals. However in light of our specific focus on sex-related humor, we first acknowledge that whether an actor will even consider sex-related humor in the service of personal goals depends on the nature and breadth of the play frame that exists within the social environment. Indeed we suggest the play frame continuously influences all of the relationships in the model. How perceivers initially react to sex-related humor attempts, the likelihood of motivated vs. heuristic processing, the amount of time spent in rumination, and the resulting outcomes – all of these are influenced by the frame of play that has been negotiated among organizational actors.
Figure 1: Actor-Based Model of Humor in Sexual Harassment

PLAY FRAME

Actor
Goals (T1)
Relationships
Future Actions

Actor's
Behavioral
Means

Actor's use of Sex-Based Humor

Perceiver Comprehension & Reaction

Perceiver Response

Perceiver Cognitive Elaboration

Sensemaking Loop

Observer
Immediate
Reactions

Social Information Seeking

Perceiver Labeling

A

B

* A – Heuristic processing
B – Motivated processing
**The play frame.** A play frame is a psychological frame that provides an interpretive context for actions (Bateson, 1972). The psychological transformation of an action from one interpretation to another depends on cues in the social context that signal to individuals that actions should be interpreted as playful versus serious (Goffman, 1974). Bateson suggests that animal species engage in these subtle, yet identifiable forms of “metacommunication” that signal to their group members that their behaviors are to be interpreted as play. Human exchanges too, he says, are fraught with subtle cues indicating everything we say and do in a particular moment should be viewed through a relaxed lens. In his study of verbal performances of folklore, Bauman (1975) refers to the process through which subtle cues are displayed as a “keying” of the frame and provides a list of “communicative means” that actors may use to key up performance (See Table 1).

**Table 1: Communicative Means Used to Key Performance**
(From Bauman, 1975)

<table>
<thead>
<tr>
<th>Communicative Means</th>
<th>Description/Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Special Codes</td>
<td>Use of esoteric language reserved for performance contexts</td>
</tr>
<tr>
<td>2. Special Formulae that Signal Performance</td>
<td>Conventional opening/closing signals such as curtains</td>
</tr>
<tr>
<td>3. Figurative Language</td>
<td>Metaphors</td>
</tr>
<tr>
<td>4. Formal Stylistic Devices</td>
<td>Rhyming, vowel harmony</td>
</tr>
<tr>
<td>5. Special Prosodic Patterns</td>
<td>Tempo, emphasis, and pitch patterns</td>
</tr>
<tr>
<td>6. Special Paralinguistic Patterns</td>
<td>Voice quality, vocalization style</td>
</tr>
<tr>
<td>7. Appeal to Tradition</td>
<td>Typical, storied methods used in a particular performance</td>
</tr>
<tr>
<td>8. Disclaimer of Performance</td>
<td>“This is a performance”</td>
</tr>
</tbody>
</table>
It is through our daily interactions that we construct and continuously reconstruct the boundaries of the play frame. This continual renegotiation helps to elucidate the subtle process by which individuals in an environment may become desensitized to seemingly norm-violating behaviors over time. For example, in some social contexts, sexual joking is normative and rehearsed, suggesting a very broad play frame. In such contexts, there is a strong likelihood that actors will use sex-related humor to serve a variety of goals (e.g., to build cohesion, to motivate). There also is the likelihood that individuals who did not help compose the play frame (e.g., newcomers, out-group members) will have little understanding of its boundaries or rules, making it difficult for them to interpret the event in the same way as other group members. This suggests that different individuals will approach interpretation of an action using very different lenses (“this is play” versus “this is serious”) and sets the stage for differential interpretations of events as humorous versus potentially harassing.

**Actor goals.** As argued the actor-based model of SH, actor goals that result in SH do not always involve SH intent. Actors can choose harassment as a behavioral means to an end that is not directly related to SH goals (e.g., a frustrated actor might use gender-harassing behaviors against a target to facilitate the goal of venting negative emotion). So, harassing action can be chosen for varied reasons, and the same is true for the use of humor. Research suggests that humor serves many goals beyond a desire to inspire laughter. Humor can be used for “prosocial” goals, such as building team cohesion or motivating employees and for “antisocial” goals, such as signaling that someone is a member of the out-group (Cooper, 2008).

Drawing from the aggression literature (Berkowitz, 1993; Tedeschi & Felson, 1994) O’Leary-Kelly et al. suggested two broad categories of sexual harassment motivations. Harassment attempts are emotionally and/or instrumentally driven. Emotion-based harassment allows the actor to release negative affect. Instrumental harassment serves one of several purposes, including social influence, retributive justice, and identity formation/protection.

**Behavioral means & actor’s use of sex-based humor.** How actors choose to behave in pursuit of emotional and/or instrumental goals is based to an extent on their preferred or customary means of behavior. According to Bandura (1997), over time we gain an understanding of the behaviors that most likely lead us to goal attainment in various situations as well as those we should sometimes avoid, and we ultimately select those behaviors with the highest probability of success. According to our model, actors should engage in forms of sex-related humor that they believe most likely will help them achieve their specific goals. Potential forms of sex-related humor attempts are numerous and varied, but examples include a supervisor telling a sexually-explicit joke to a group of workers while on the job, one worker touching another inappropriately during the workday, and a sex-related comic strip anonymously posted to a bulletin board in a shared employee area. Although an exhaustive list of potential sex-related humor behaviors is beyond the scope of the current theorizing, we suggest the behaviors implemented in sex-related humor attempts will vary along at least eight dimensions: 1) content, 2) scope of content 3) physical location, 4) scope of presentation, 5) identifiability of actor, 6) composition of perceivers 7) specificity of target, and 8) temporal relationship with play frame. These dimensions are described in more detail in Table 1.
Table 2: Proposed Dimensions of Sex-Related Humor Behaviors

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description/Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Content</td>
<td>Specific humor &quot;type.&quot;</td>
</tr>
<tr>
<td></td>
<td>(e.g., sarcasm, pun, burlesque, etc.) – based on Berger, 1993</td>
</tr>
<tr>
<td>2. Scope of Content</td>
<td>Does the humor apply to a specific person or to a broad group?</td>
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<tr>
<td></td>
<td>(e.g., a joke told about a coworker who is a woman vs. a joke about women in general).</td>
</tr>
<tr>
<td>3. Physical Location</td>
<td>Of the actor and perceivers.</td>
</tr>
<tr>
<td></td>
<td>(e.g., at the office vs. in a restaurant for after-work socializing).</td>
</tr>
<tr>
<td>4. Scope of Presentation</td>
<td>How big is the audience. The # of observers</td>
</tr>
<tr>
<td></td>
<td>(e.g., humor used in front of small peer group vs. entire office).</td>
</tr>
<tr>
<td>5. Identifiability of Actor</td>
<td>Can the humor attempt be traced back to the actor/source?</td>
</tr>
<tr>
<td></td>
<td>(e.g., a public impersonation vs. a calendar on a wall).</td>
</tr>
<tr>
<td>6. Composition of Perceivers</td>
<td>Makeup of perceivers.</td>
</tr>
<tr>
<td></td>
<td>(e.g., coworkers, mix of coworkers and supervisors, mix of supervisors and subordinates, etc.).</td>
</tr>
<tr>
<td>7. Specificity of Target</td>
<td>Can the humor target be identified?</td>
</tr>
<tr>
<td></td>
<td>(e.g., directed assertively at one worker vs. directed at an individual's entire work group).</td>
</tr>
<tr>
<td>8. Temporal Relationship with Play Frame</td>
<td>Did the humor attempt activate vs. react to the play frame.</td>
</tr>
<tr>
<td></td>
<td>(e.g., did the attempt call up the play frame, or was the attempt made in reaction to a previously activated play frame).</td>
</tr>
</tbody>
</table>

Comprehension-elaboration. As suggested in humor research (Wyer & Collins, 1992), our model depicts the interpretation of a humor event as involving a two-stage process: 1) comprehension, and 2) cognitive elaboration. The cognitive elaboration model (Wyer & Collins, 1992) suggests that initial reactions to humor often involve incomplete comprehension. To be defined as humor, a message must involve an inherent incongruity (such as a deviation from expectations), so it often takes time to comprehend the message in a humor attempt. When individuals do not immediately comprehend a humor message, scripted responses are likely to occur (Wyer & Collins, 1992). Scripted responses involve enactment of responses that have been used before or that are salient because they are modeled by others. Scripted responses to humor attempts, then, seem especially likely to occur when there is a well-developed play frame. In such cases, individuals may automatically enact the response that previously was used in the
presence of this humor stimulus (e.g., laughter). When this occurs, even individuals who may not understand the play frame boundaries and rules may model their responses after others (e.g., they laugh also).

Organizational justice theorists explain a similar process that occurs when workers use readily observable fairness information to develop what Lind (2001) calls a **fairness heuristic** to ease in the management of trust-related uncertainties inherent in supervisor-subordinate relationships. Lind’s theory further explains that individuals form fairness heuristics quickly and rely on them as cognitive shortcuts in daily work life. Only when a “phase-shifting” or unexpected event occurs is a worker predicted to return to the judgmental, formative phase to reevaluate the heuristic’s utility as a proxy for trust in the authority figure. In our model, we view scripted responses to humor attempts as a type of cognitive shortcut and refer to this as **heuristic processing**, denoted with an “A” in the model.

In the second stage of the cognitive elaboration model, individuals evaluate a humor event using more controlled information processing (Wyer & Collins, 1991). Specifically, they evaluate whether the message perceived was: 1) appropriate, 2) offensive, and/or 3) threatening. When the event is seen as inappropriate, offensive, or threatening, the individual is unlikely to perceive the event as humorous. This two-stage process is informative to the phenomenon of SH, because perceivers often are criticized for initially laughing at humor that they later label as harassing, yet the cognitive elaboration model of humor would predict just this pattern. We refer to this phenomenon as **motivated processing**, denoted with a “B” in the model.

In our model, the cognitive elaboration, or motivated processing stage is depicted as a sensemaking loop in which individuals access and integrate various types of information in order to elaborate their understanding of the humor event. In this sensemaking loop, individuals may seek and consider social information from many sources, including witnesses to the humor event, information related to the actor-perceiver relationship, attributions about the actor’s motive, and the perceiver’s own beliefs, attitudes, and experiences. Our model depicts this sensemaking process as involving interconnected cognitive and affective components, in that growing perceptions that humor was inappropriate, offensive, or threatening will be associated with escalating negative affect about the event, the actor, and/or the context. Indeed, the sensemaking process is regarded as an opportunity for rumination, in which the perceiver can become trapped in an increasingly strong cycle of repetitive thinking and escalating emotion (Watkins, 2008). We also note that the model is iterative, in that it can account for the occurrence of repeated humor attempts, with the sensemaking process becoming more complex, and the outcome of the model becoming more predictable, as multiple events occur.

**Labeling and response.** The outcome of the sensemaking process is a labeling of the humor event by the perceiver, followed by the perceiver’s ultimate response. The labeling of the humor event occurs along a continuum of certainty, from initial impressions to well-formulated perceptions. Returning to our definition, and given that the humor attempt involves elements of both humor and gender, we expect that interpretations of the humor attempt will involve these dimensions. That is, conduct can be labeled as either (or both) “humorous” and “sexually harassing.”

We anticipate individuals’ responses to labeling will take one or more of four forms (passive, assertive, aggressive, and passive aggressive) with each form possessing possible
cognitive, affective, and behavioral manifestations. Passive responses include ignoring or avoiding future interaction with the actor; assertive responses include things like firmly but politely asking the actor to change his/her behavior and/or reporting the behavior as sexual harassment to the organization and/or taking legal action; aggressive responses include direct, dysfunctional retaliation against the actor; and passive-aggressive responses include more subtle behaviors such as workplace deviance. We acknowledge the potential for perceivers’ reactions to trigger a return to the cognitive elaboration stage as they continue to refine their understanding and justify their chosen response. We also suggest that actors’ subsequent goals, relationships, and future actions are driven by subordinates’ responses to sex-related humor attempts.

Conclusion
By tracing the factors and processes involved in the interpretation of gender-related humor attempts, this conceptual model provides contributions to both research on humor in work organizations and research on sexual harassment.

References
MAINTAINING SOCIAL EXCHANGE RELATIONSHIPS IN ORGANIZATIONS: AN INTEGRATION OF THE INVESTMENT MODEL AND THE RELATIONSHIP MAINTENANCE COMMUNICATION LITERATURE

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ABSTRACT

The purpose of this paper is to integrate theory and research from the social communications literature with Rusbult and Buunk’s (1993) investment model to enhance social exchange theory (SET) in terms of its ability to account for how and why, once established, social exchange (or high-quality) relationships in organizations are maintained. Within the social communications literature, a growing body of work has focused on understanding relationship maintenance communications, forms of interpersonal communications that are specifically intended to maintain a desired relational space between partners. We review this work to offer a taxonomy of differing forms of these communications. We then draw upon the investment model to discuss how and why these different forms of communications influence partners’ commitment to maintaining the social exchange relationship. This theoretical integration contributes to the organizational literature by addressing Cropanzano and Mitchell’s (2005) call to more adequately articulate mechanisms at work in social exchange relationships in a manner that supports empirical verification. Specifically, it addresses the need within social exchange theory to consider the specific day to day processes of interaction that occur between organizational members as pivotal to the maintenance of social exchange relationships among them.

Keywords: social exchange theory, interpersonal communications, interpersonal relationships

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INTRODUCTION

A large body of management literature has been devoted to understanding the importance of building strong and productive interpersonal relationships in organizations. Yet, building these relationships is only part of the puzzle. Employee retention (Bauer, Erdogan, Liden, & Wayne, 2006; Eisenberger, Stinglhamber, Vandenbergh, Sucharski, & Rhoades, 2002), effective leadership (Maslyn & Uhl-Bien, 2001), individual and group performance (Chen, Kirkman, Kanfer, Allen, & Rosen, 2007; Deci, Connell, & Ryan, 1989), employee wellbeing and morale (Hooper & Martin, 2008; Nielsen, Randall, Yarker, & Brenner, 2008; Sparr, & Sonnentag, 2008), and establishing social networks and capital (Bowler & Brass, 2006; Brass, Galaskiewicz, Greve, & Tsai, 2004; Ferrin, Dirks, & Shah, 2006; Labianca, & Brass, 2006; Sparrowe & Liden, 2005) necessitates that once established, these relationships are maintained. Furthermore, it appears that to achieve optimal levels of success in organizations, these interpersonal relationships must transcend the basic meeting of negotiated, contractual employment obligations to nurture more long-term and open-ended orientations towards the contributions that both parties provide (Molm, 2003; Shore, Tetrick, Lynch, & Barksdale, 2006). Many scholars turn to social exchange theory (SET; see Cropanzano & Mitchell, 2005 for a review) to account for how both of these aims are achieved.

Drawing primarily from the work of Blau (1964) organizational scholars have distinguished between high and low quality interpersonal relationships as a means of differentiating those relationships that rely upon social, as opposed to economic exchange processes. Within this literature, exchange is defined as the act of partners’ giving and repaying of resources either in a negotiated or reciprocal manner. Blau described two types of relationships: 1) *economic* exchange relationships that are based upon quid-pro-quo and negotiated (contractual) giving and repaying that is generally expected in a short-term time frame and 2) *social exchange relationships* in which partners exchange resources that create diffuse future obligations, not precisely defined ones, and the nature of the return cannot be bargained about but must be left to the discretion of the one who makes it” (Blau, 1964: 93). In social exchange relationships, reciprocity (the act of giving based upon a future, non-negotiated or non-contractual expectation of receiving) guides the flow of resources between partners. Management scholars have adopted this view to describe high-quality interpersonal relationships (such as those that might occur between a leader and a follower) as guided by processes of social-exchange whereby partners’ giving surpasses contractual obligations in the employment relationship whereas in low-quality interpersonal relationships, partners’ giving is confined to fulfilling contractual requirements. It should be noted that this definition describes the overall terms of giving and receiving within a relationship, as opposed to other definitions which invoke social exchange to refer to the exchange of socioemotional resources and economic exchange as the exchange of financial and other economic resources. For the purposes of this paper, we adopt Blau’s (1964) terminology to refer to high-quality relationships as social exchange relationships. Research has suggested that social exchange relationships may provide great benefit to organizations and their members (Coyle-Shapiro & Conway, 2004; Cropanzano & Mitchell, 2005), yet only a limited amount of theory and research has attended to describing how and why these important types of relationships, once established, persist.

Blau (1964), Homans (1961), and Thibaut and Kelley (1959) provided much of the early theoretical basis for social exchange theory. Blau (1964) argued that individuals remain tied in social exchange relationships out of an obligation to reciprocate favorable treatment as
well as due to their investments in the relationship. For Homans (1961) the maintenance of these relationships was predicated upon the continued receipt of valued rewards. Thibaut and Kelley (1959) also held this notion, but articulated further that the maintenance of a social exchange relationship is also based upon partners’ perceived alternatives to the relationship. Building upon the work laid out by Thibaut and Kelley, Rusbult and Buunk (1993) in their investment model, provided was is to date the most developed theoretical outline of how and why social exchange relationships, once established, continue. Their work encompasses and extends beyond the assertions laid out by Blau, Homans, and Thibaut and Kelley, to suggest that commitment to continuing a relationship with a partner is the primary factor that can explain its continuance.

Rusbult and Buunk (1993) define commitment as a subjective summary of an individual’s dependence upon a partner, which is influenced by: 1) the degree to which alternative partners are perceived to exist; 2) the satisfaction individuals experience from the resources they receive from their partners; 3) the investments they have made in the relationship. In this sense, they view commitment as a subjective outcome of the exchange process, which should not be confused with other scholars’ interpretation of commitment as a resource to be exchanged within the exchange process (Eisenberger, Huntington, Hutchison, & Sowa, 1986.). In brief, they suggest that social exchange relationships are maintained when individuals experience a commitment toward continuing them because this commitment drives subsequent behaviors (such as reciprocity) that reinforces it. Thus, understanding how and why this commitment is nurtured appears critical to enhancing SET in order to better account for how, once established, social exchange relationships in organizations are maintained.

While Rusbult and Buunk’s model is the most developed theoretical description of how and why social exchange relationships are maintained, it only vaguely explains how certain forms of giving in social exchange relationships influence partners’ commitment toward continuing this type of relationship. Early in this literature, Blau (1964) noted that gifts and exchanges, themselves affect the state of relationships and more recently scholars have called for greater theoretical development in this domain (Cropanzano & Mitchell, 2005; Liden, Sparrowe, & Wayne, 1997). Indeed, it would seem axiomatic that if individuals are to be committed to maintaining social exchange relationships, resource giving must occur. One of the most basic types giving that can occur within social exchange relationships are interpersonal communications that are intended to maintain positive interactions between partners. In the social communications literature, these communications have been referred to as relationship maintenance communications—verbal communications aimed at preserving an interpersonal bond that is conducive to the achievement of other relational goals (Ayres, 1983; Dainton & Stafford, 1993; Dindia & Baxter, 1987; Lee & Jablin, 1995; Shea & Pearson, 1986; Stafford & Canary, 1991; Waldron, 1991; Waldron & Hunt, 1992).

In this paper, we integrate this work on relationship maintenance communications with the investment model to enhance SET in terms of its ability to account for how and why, once established, social exchange (or high-quality) relationships in organizations are maintained. Specifically, we undertake a review of the research in this area to provide a taxonomy of relationship maintenance communications that might serve to influence partners’ commitment to maintaining a social exchange relationship. Second, we provide a description of how and why the differing dimensions of relationship maintenance communications we have uncovered through our review of the literature influence interpersonal commitment to maintaining social exchange relationships. This theoretical integration contributes to the
organizational literature by addressing Cropanzano and Mitchell’s (2005) call to more adequately articulate mechanisms at work in social exchange relationships in a manner that supports empirical verification. Furthermore, it addresses the need to dive into the “black-box” of exchange (Liden et al., 1997) to consider the actual day to day processes of interaction that occur between organizational members as pivotal to the maintenance of social exchange relationships among them.

THE ROLE OF COMMITMENT IN MAINTAINING SOCIAL EXCHANGES

The roots of SET are found in the work of Malinowski (1932), Mauss (1954), March and Simon (1958), Thibaut and Kelley (1959), Gouldner (1960), Homans (1961), and Blau (1964) and the theory bridges the fields of anthropology, psychology, and sociology. Blau’s (1964) work has been the most influential in the management literature, and his distinction between social and economic exchange relationships is largely drawn upon to account for the degree to which interpersonal relationships in organizations move beyond interactions that are required to fulfill obligations in the employment contract. According to Blau (1964), individuals are motivated to engage in non-contractual (thus reciprocal) exchanges with a partner when they perceive their partner as able and willing to furnish some type of valuable reward that satisfies a salient need. The receipt of a valued reward from one party creates a felt obligation to repay, in some manner, this beneficial treatment in the future. This lack of specification as to the exact form of repayment, the timing of its delivery, and the trust required to believe that if one indeed offers a valued reward to a partner, the partner will reciprocate is what differentiates social from economic exchanges (Blau, 1964). The concept of reciprocity is of critical importance to SET in that in economic exchange relationships, giving and repaying is contractually negotiated whereas in social exchange relationships, giving and repaying is guided primarily by reciprocity (although it is recognized that in some instances, negotiation is necessary) (Molm, 2003).

Early researchers made some mention of how, once established, social exchange relationships were maintained. However, the most developed articulation of this aspect of SET has come from Rusbult and Buunk (1993) in their investment model. Their work builds upon the work of Thibault and Kelley (1959) and Kelley and Thibault (1978) to describe how dependence builds between partners in social exchange relationships, and to assert that this dependence is then experienced as a sense of commitment toward the partner and to continuing the relationship. In this sense, commitment is viewed as an outcome of interaction, as opposed to a resource that is exchanged through interaction. As will be detailed below, Rusbult and Buunk (1993) outline the processes that contribute towards partners’ dependence upon each other, and assert that this dependence manifests in sense of psychological commitment toward a partner which represents a long-term orientation toward the relationship. It should also be noted that while the investment model does not differentiate among differing types of commitment as has been articulated by other scholars such as Meyer and Allen (1991) (i.e., commitment as a desire (affective), obligation (normative), or need (continuance)) it addresses the underlying nature of these processes as antecedents of a more global construct of commitment. For instance, it views need as a factor contributing to a more global sense of commitment, rather than a distinct form of commitment that might occur between partners.

Rusbult and Buunk (1993) identified three main determinants of dependence in social exchange relationships, and therefore commitment to their continuance. The first factor is
satisfaction level. Consistent with other social exchange literature, they assert that satisfaction level is highest when individuals perceive that the resources that receive from their interaction partners fulfill valued outcomes that fulfill salient needs. Furthermore, drawing from the work of Thibault and Kelley (1959) and Kelley and Thibault (1978) they suggest that individuals feel more satisfied with their receipts when comparison levels are low. Comparison levels refer to a standard against which an individual judges the attractiveness of a relationship and is influenced by experiences in previous relationships, observations of peers’ relationships, and by comparison to partners’ outcomes. In regards to this third factor, partners are happiest when their rewards in the relationship are equal to those of their partner. When the resources received in relationships are higher than the comparison level, individuals are more satisfied than when they are lower than comparison levels. Furthermore, the model states that individuals are more satisfied in relationships when rewards match their mental models of what they believe they should receive from their partners.

The second factor influencing dependence that was identified by Rusbult and Buunk (1993) refers to the degree to which individuals perceive they have attractive alternatives to their relationships. In essence, these alternatives must be perceived as able to provide effective alternatives to what one receives within the relationship. Quite interestingly, the investment model does not predict that the alternative must necessarily be a partner. The alternative might be an interest or activity that offers some type of valuable reward that might replace what is offered by an interational partner. Although Rusbult and Buunk (1993) do not discuss the role of perceived obligation to a partner as influencing alternatives, it is necessary to note that Blau (1964) indeed discussed the integral role that obligation, the perception that one must repay a partner for favorable treatment, plays in binding partners together in social exchange relationships. We assert that this feeling of obligation may reduce perceptions of adequate alternatives, given that one may discount the attractiveness of alternative partners if one perceives himself or herself to be obligated toward devoting time and energy to reciprocating a partner’s gifts.

Third, Rusbult and Buunk (1993) note that investments that one has made in a relationship with a partner contribute to dependence in the relationship, and therefore perceived commitment to the partner. This assertion is consistent with Blau (1964) who argued that investments of time, as well as opportunity costs made through selecting one partner with whom to exchange over another might lead to individuals feeling greater commitment to their partners. In addition to time and opportunity costs, emotional investment in a parter or a relationship might also further dependence. Finally, Rusbult and Buunk note that individuals may feel greater dependence to the extent that they have developed a relational identity in connection with the partner, whereby the self becomes viewed in terms of the association (Brewer & Gardner, 1996). The abandonment of a portion of the personal-identity is what is viewed as the investment.

Before continuing, it is useful to note that interpersonal trust, or the willingness to render one’s self vulnerable to a partner, has also been put forth as a critical component to maintaining social exchange relationships (Blau, 1964). Indeed, a defining factor of social exchange relationships, as opposed to economic exchange relationships, is that individuals reciprocate resources on the basis of trust in future receipt (as opposed to contractual negotiation). Although Rubult and Bunnk (1993) did not articulate trust as a component of the investment model, it seems critical to account for this important factor. Given that trust entails expressing vulnerability to a partner, we argue that it is best categorized as a further
type of investment that partners make in their relationships. As such, the greater the trust that an individual has furnished to a partner, the more the individual has invested in the relationship.

Thus, the investment model proposes that the maintenance of social exchange relationships is determined by individuals’ commitment toward continuing the relationship. Commitment is viewed as a subjective summary of an individual’s dependence upon a partner. This dependence is determined by an individual’s: 1) satisfaction with the relationship and the partner; 2) perceived alternatives to the relationship; and 3) investments made in the relationship. It is important to note that empirical tests of the investment model (Duffy & Rusbult, 1986; Rusbult et al., 1986b, 1991) have shown a positive correlation between commitment level and reported satisfaction and investment in the relationship, and a negative correlation with perceived alternative quality. Furthermore, in regression analyses, each factor independently contributed to the prediction of commitment, suggesting that they are each important to understanding commitment in social exchange relationships. The investment model suggests that this commitment to the partner and the relationship is the critical mechanism that stimulates pro-relationship behaviors that further its continuance. One such behavior might be giving to a partner in a manner that exhibits pro-relationship tendencies. This action reinforces the interpersonal commitment the partners experience and therefore serves to maintain the social exchange relationship.

RELATIONSHIP MAINTENANCE COMMUNICATIONS AS DRIVERS OF COMMITMENT TO CONTINUING SOCIAL EXCHANGES

Although partners can engage in a variety of behaviors that might be evidence of giving, there are none that are so fundamental to human interaction than interpersonal communication. Sigman (1987) argued that communication is the most basic element of social organization in that it provides the foundation for dividing responsibility, creating distinctions among individuals, and binding them in meaningful relationships and roles. Duck (1994) further contended that verbal communication is the most important communication medium for maintaining interpersonal relationships in that it facilitates the projection of a rhetorical vision for the relationship, defined as “an image or impression of some topic, particularly one that creates an expectation for the future form of an institution or relationship” (Duck, 1994: 52). For instance, using the word “we” instead of “I” with a partner reinforces that there exists a meaningful relational identity that extends beyond the self-concept. This vision provides partners with an understanding and expectation for how interactions within the relationship should transpire. Verbal communication also allows partners to negotiate shared meaning of the events they experience through the course of their interactions. Duck asserted that this function of verbal communication is essential to relationship maintenance because partners do not always share initial agreement about the events they experience together and must have some means of negotiating this agreement. For these reasons, we focus our discussion on how verbal communications in social exchange relationships influence partners’ commitment levels to maintaining their relationship.

Within the social communications literature, researchers have advanced the concept of relationship maintenance communications, which has received some consideration in the management literature (Tepper, 1995; Tepper, Moss, Lockhart, & Carr, 2007), as a means of describing specific forms of communicative giving aimed specifically at preserving a desired relational state such that other forms of goal-oriented interaction can transpire (Tepper, 1995;
Waldron, 1991; Waldron & Hunt, 1992). These communications are thus aimed at preserving the overall state of the relationship, as opposed to other communications which might be aimed solely at fulfilling momentary goals (such as the furnishment of advice for a vacation spot or offering supportive coaching on a project). However, it should not be said that these communications cannot fulfill a short-term need despite their intention to obtain longer-term relational objectives. It is the more global intention to preserve a desired relational state that distinguishes these forms of communications from others that might occur in social exchange relationships.

The social communications literature offers a variety of categorizations of the differing content that may constitute these types of messages (Ayres, 1983; Dainton & Stafford, 1993; Dindia & Baxter, 1987; Lee & J ablin, 1995; Shea & Pearson, 1986; Stafford & Canary, 1991; Tepper, 1995; Waldron, 1991; Waldron & Hunt, 1992), but directly integrating this work with the investment model is problematic because this work has been disjointed in that a variety of differing taxonomies have been offered to describe relatively similar sets of behaviors. For this reason, challenges exist in the integration of the findings of this work with SET. Thus, prior to describing how individuals’ engagement in relationship maintenance communications influence partners’ commitment to maintaining social exchange relationships, we first provide a taxonomy of relationship maintenance communications based upon a comprehensive integration of this literature.

Forms of Relationship Maintenance Communications

Ten broad dimensions of relationship maintenance communications emerge from the theory and research that has been conducted on relationship maintenance in the social communications literature. We refer to these dimensions as Personal, Relational, Contractual, Interpersonal Problem Solving, Extracontractual, Initiating Interaction, Ceremonial, Environmental, Regulative, and Abusive. We expand upon what has been heretofore presented in the social communications literature when necessary in order to provide a more comprehensive description of maintenance communications.

Discussions of the self, the other, and the relationship appear critical to maintaining social exchange relationships. Personal maintenance communications between partners are aimed at expressing the self and continually seeking to understand the other as an individual. These communications may entail eliciting and sharing personal information regarding professional and non-professional responsibilities, behaviors, goals, life experiences, interests, knowledge and factors that provoke various emotions in the individual (Dainton & Stafford, 1993; Lee & Jablin, 1995; Shea & Pearson, 1986; Stafford & Canary, 1991; Waldron, 1991). While these communications are focused on the self, relational maintenance communications are directed toward maintaining a sense of solidarity or partnership through discussing the relationship as an interactive union. The content of these messages includes highlighting interpersonal similarity, communicating an attempt to align a previously dissimilar goal, value, or opinion, prioritizing shared goals, discussing past and future experiences together, and articulating feelings about events within or the overall state of the relationship (Ayres, 1983; Dainton & Stafford, 1993; Dindia & Baxter, 1987; Shea & Pearson, 1986; Waldron, 1991).

Contractual maintenance communications regulate expectations and interactions between partners through communicating adherence to professional and social requirements and conventions and establishing interpersonal norms and roles within the relationship.
(Ayres, 1983; Stafford & Canary, 1991; Waldron, 1991). The content of these messages may be focused on developing these norms and/or roles, as well as reminding the other of the norms/roles that had been established (Ayres, 1983; Stafford & Canary, 1991). When these norms are violated, or other problems arise, interpersonal problem solving maintenance communications are used to redress the situation. This dimension integrates Kaplan’s (1978) discussion of expressive relationship maintenance whereby aspects of the relationship are discussed honestly and openly with the concept of voice proposed by Farrell (1983) and Waldron’s (1991) dimension of “direct” relationship maintenance communications. Such communications may include asking for clarification regarding a partner’s motives and offering explanations for one’s behavior that may appear to violate the employment, social/cultural, and/or relational contract.

In an effort to build upon Waldron’s (1991) examination of upward communication maintenance behaviors in supervisor-subordinate dyads, Tepper (1995) presented the dimension of extracontractual maintenance communications that we have included in our taxonomy. As articulated by Tepper (1995), these messages inform the other of when one has engaged in a behavior that transcends contractual obligations. Interacting with a partner is a critical aspect of relationship maintenance and communication may be used strategically to provoke such interactions (Dindia & Baxter, 1987; Lee & Jablin, 1995; Waldron, 1991). We define these types of communications as initiating interaction maintenance communications. These communications may entail telling jokes and anecdotes, engaging in small talk, or simply checking in with another by emailing or calling to say “Hello” (Dainton & Stafford, 1993; Dindia & Baxter, 1987; Waldron, 1991). To signal that another is important and appreciated, individuals may verbally express acknowledgments of his or her significant life experiences, referred to as ceremonial maintenance communications (Davis, 1973; Dindia & Baxter, 1987). Examples include acknowledging a special occasion such as a birthday or anniversary, offering a holiday greeting, or congratulating another’s success on meeting an important goal (Dindia & Baxter, 1987).

Relationship partners are tasked with maintaining a relationship that is embedded within a context that poses both opportunities and challenges. Environmental maintenance communications are used to navigate these environmental opportunities and threats. These messages may address the parameters of exchanges with others—what can be exchanged with others and what cannot—as well as discussions of how to align individuals in each party’s network. Furthermore, these communications may not be aimed at one’s partner, but rather with a third party contained in a partner’s network to whom the partner is strongly tied (Dainton & Stafford, 1993). Maintaining a positive relationship with a third party tied to one’s partner may be important to preserving the integrity of a dyadic relationship (Heider, 1958). Finally, environmental communications may be composed of conversations in which a mutual challenge or threat in the environment is identified and discussed.

Individuals may also attempt to maintain relationships through managing the impressions or emotions of others (Harrison, Hochwarter, Perrewe, & Ralston, 1998; Liden & Mitchell, 1988; Turnley, & Bolino, 2001). Communications aimed at this end are termed regulative maintenance communications (Waldron, 1991). Captured within regulative communications are the sub-dimensions of impression and emotion management. Impression management communications may include offering compliments to the other (Stafford & Canary, 1991), discounting positive feedback, or communicating disclaimers to protect oneself against potential near future failures (Liden & Mitchell, 1988). Emotion management strategies are used to manage a partner’s emotions in order to assist the partner in achieving a
positive state of mind (Dindia & Baxter, 1987; Lee & Jablin, 1995). The content of these messages may include asking for a break in time before initiating or continuing a difficult conversation with a partner or confronting a partner’s frustration or anger with messages that are positively toned.

The final dimension, labeled abusive maintenance communications, refers to communications that serve to maintain a hostile or otherwise manipulative, self-serving, unequal, or unpleasant relational space. This dimension is based on the work of Dainton and Stafford (1993) and Dindia and Baxter (1987) who observed that individuals engage in antisocial forms of relationship maintenance communication. Up to this point, our taxonomy has only included prosocial forms of language use and we offer this dimension as an overarching categorization of all opposing, or antisocial, forms of maintenance communication. This dimension may include similar content to that captured by other dimensions with the distinction being that abusive communications are intended to elicit a negative response in the partner. For instance, in a relationship governed by prosocial motives, an individual may engage in environmental maintenance communications to inform a partner that one of his or her close network contacts has been upset by the partner’s behavior. The intention may be to bring about harmony between the parties, preserving ties among all of them. However, in a relationship governed by antisocial motives, the same statement may be used to inflict guilt or pain in the partner without the intent of creating harmony among the three individuals. The prosocial or antisocial motive distinguishes whether the communication is considered to be an abusive form of maintenance communication or not. Communications that fall within this dimension may also include referencing past negative experiences with the partner or negatively criticizing or belittling the partner with the intention of lowering the partner’s sense of personal value and/or his or her perceived ability to find an alternative exchange partner. Because prior theorists have argued that high-quality, or social exchange relationships in organizations

The Maintenance Function of Communication

In this section, we integrate the taxonomy of maintenance communications that we have uncovered through our review with the investment model to provide theoretical clarity as to how and why commitment between partners to maintain a social exchange relationship is enhanced through these specific forms of giving. Figure 1 provides a graphical description of this integration, in that it clarifies the association among the differing relationship maintenance communications and the antecedents of commitment that are put forth in the investment model. Below, we discuss these associations in greater detail.

As articulated by the investment model, partners feel more committed to continuing social exchange relationships when their perceptions of alternative partners with whom they can exchange are low. Interpersonal problem solving communications are anticipated to reduce perceptions of alternative exchange partners because they can be employed to rectify problems that may arise in relationships and therefore thwart an individual’s pursuit of potential alternatives when disruptive events arise. Additionally, initiating interaction maintenance communications can stimulate recall of the relationship in times when perhaps there has been a lapse of interaction driven by the transmission of other resources. Geographic displacement, constraints in time, or lack of direct need may lead to reduced interactions between partners in an otherwise healthy social exchange relationship. As noted by Sigman (1987), a primary function of communications is to recreate a historical reality in the present. Through engaging in an effort to connect with a partner, by saying hello or
sending a humorous e-mail, for instance, an individual primes recall of the overall relationship such that the partner is reminded of the association and therefore the ability to draw upon the partner when in need of a resource (such as support, for instance). In essence, these communications serve to detract from the pursuit of alternative partners by reminding another that a social exchange relationship exists in times when interacting, for a variety of reasons, may have been reduced.

Finally, environmental maintenance communications may be employed to discuss or minimize the attractiveness of alternative partners in the relationship. Thibaut and Kelley (1959) discussed how partners may minimize the attractiveness of alternatives by attempting to dimish the perceived value of what these individuals have to offer, or maximizing the perceived costs of associating with them. Johnson and Rusbult (1990), for instance, found that the attempt to minimize the attractiveness of an alternative partner was greater when the partner’s attractiveness was higher and was considered as a more perceived threat to the relationship.

Proposition 1: Interpersonal problem solving, initiating interaction, and environmental maintenance communications are negatively related to partners’ perceived alternatives to the social exchange relationship.

A number of the maintenance communications we have identified can be associated with increased satisfaction levels in interpersonal relationships. Personal maintenance communications allow for information to be shared as to what needs or desires are relevant to both parties such that reciprocity can continue in the relationship in a satisfying manner. Contractual maintenance communications allow for the negotiation of roles and norms within the relationship. In the workplace, establishing and negotiating roles are critical to engaging in collective pursuits, and in social exchange relationships, these pursuits might often surpass what is formally required in the employment contract (e.g., Graen & Uhl-Bien, 1995; Dansereau, Graen, & Haga, 1975). Discussions of roles and responsibilities within the employment contract should also be important to maintaining satisfaction, as it cannot be denied that although social exchange relationships are based upon willful association, discussing organizational duties may be critical to meeting the needs of both parties, and therefore maintaining satisfaction within the relationship. When difficulties arise within the context of the relationship, such that the delivery of resources was not satisfying or roles or contractual duties were not undertaken, interpersonal problem solving communications can be employed to rectify these situations, therefore leading to continued relay of resources that are satisfying to both partners. Finally, as noted by Tepper (1995), individuals may engage in extracontractual maintenance communications to inform another of when a behavior that was not formally required by the employment contract has been undertaken and therefore might increase satisfaction in the relationship.

Ceremonial maintenance communications might also enhance partners’ satisfaction in their relationships. These communications are intended to relay esteem to partners by acknowledging important life or cultural events. This esteem may be directly viewed as a satisfying reward thus enhancing commitment within the relationship.

Proposition 2: Personal, Contractual, Interpersonal Problem Solving, Ceremonial and Extracontractual relationship maintenance communications are positively related to partners’ satisfaction with the rewards that they receive through their association with their partners.
Relationship maintenance communications can also enhance perceived investment levels in relationships, either via their enhancement of a relational identity or their impact on the trust partners are willing to offer to each other (thus marking an investment in association). Relational maintenance communications are directly intended to create a vision of the association as a solidified union. As noted by Duck (1994), communications paint a portrait of present and future involvement in a relationship. Through discussing the relationship as a solidified union, individuals paint a picture of future solidified involvement, and this portrait might facilitate movements or continuations of the self-concept toward a relational identity. Furthermore, through aligning previously dissimilar goals, values, or opinions, relational maintenance communications may facilitate the development of a relational identity by assuaging cognitive dissonance partners may experience by becoming highly connected to someone who they perceive as fundamentally dissimilar on a salient characteristic.

As we have noted, trust is an essential investment that one can make in a social exchange relationship. Scholars have noted the criticality of trust in social exchange relationships (Shore et al., 2006) and trust can be viewed as an investment in that vulnerability is something that can be given to a partner in order to further the quality of the social exchange relationship. Personal maintenance communications may help to enhance this trust by directly exposing perhaps what is the most important resource that individuals can offer to another, information as to who they are as a person. This type of giving represents significant vulnerability and is therefore a critical investment that individuals make in their relationships. Contractual communications can also enhance trust in two ways. First, discussion of adherence to professional norms or standards might enhance a partner’s trust that the individual will behave appropriately in professional or other situations. Second, contractual communications that are aimed at revisiting or altering roles or norms within the relationship can also increase partners’ offering of trust in the relationship through offering greater security that through giving, one will receive satisfying rewards. It is important to note that the establishment of roles and norms is not in contradiction with reciprocity. These roles and norms are not formally tied to the employment relationship but rather informal contracts that emerge over the course of interaction (Thibault & Kelley, 1959). For example, when collaborating on an extra-role task, social exchange partners may find it useful to spell out their individual responsibilities for the task, and how it will be completed. Their engagement in the task would then be viewed as a product of their commitment to maintaining their social exchange relationship given that the task is extra-role and discretionary.

**Proposition 3:** Relational, personal, and contractual relationship maintenance communications are positively related to partners’ perceived investments in their relationships.

**DISCUSSION**

SET has been widely employed in the management literature to describe how high-quality interpersonal relationships that transcend contractual obligations in the employment relationship arise. Management scholars often draw Blau’s (1964) discussion of social (as opposed to economic) exchange relationships to account for this process. However, much less attention has been paid in the literature to discussing how and why, once established, these social exchange relationships are maintained. Even within SET, scant attention has
been paid to this important topic with the work of Rusbult and Buunk (1993), in formulating their investment model, representing the most sophisticated theoretical development in this domain. They assert that social exchange relationships are maintained due to the commitment that partners feel toward persisting in their relationships. This commitment is a subjective representation of the dependence they exhibit toward their partners. Yet, the investment model fails to discuss how and why specific types of giving, the ultimate role of actors within a social exchange relationship, influence the maintenance of this commitment. Our purpose in this paper was to integrate the work pertaining to relationship maintenance communications that has been conducted in the social communications literature with the investment model to describe how these pro-relationship behaviors—gifts that can be offered from one person to another—impact commitment levels in established social exchange relationships.

Our contribution to the management literature through the integration of the investment model with the work that has been conducted in the field of relationship maintenance communications is two-fold. First, we provide the most integrative taxonomy of relationship maintenance communications that has to date been undertaken in the communications or management literature to order to facilitate theoretical development and research in this domain. Second, we articulate how and why these maintenance communications further partners’ commitment to maintaining social exchange relationships with one another by proposing testable associations between differing forms of relationship maintenance communications and the three primary antecedents of this commitment offered in the investment model.

Implications for Practice

Empirical verification of our propositions would provide guidance to managers as to how to maintain healthy dyadic relationships. Given the central role that relationships play in organizations (Ferris, Liden, Munyon, Summers, Basik, & Buckley, in press), it is imperative for organizational participants to endeavor to maintain positive interactions with coworkers, followers, leaders, and customers. Failure to do so has negative implications for individuals and their organizations, as evidenced by research demonstrating the importance relationship quality between leaders and followers (Gerstner & Day, 1997) and between teammates (Seers, 1989) to work outcomes. Organizations in which good dyadic relationships are prevalent enjoy cultures characterized by respect for people and team orientation, both of which enhance organizational outcomes.

Conclusion

Our purpose in this paper was to further develop SET by integrating the investment model with research conducted on relationship maintenance communications in the social communications literature in order to further theoretical precision as to how and why, once established, social exchange relationships are maintained. Our work provides empirically verifiable propositions that aid in furthering the much needed understanding of the underlying mechanisms at work in social exchange relationships (Cropanzano & Mitchell, 2005). Overall, our paper asserts that in social exchange relationships, words indeed matter, and through our model we offer practical insight as to how management practitioners can enhance the quality of the relationships they experience with others in their organizations.
REFERENCES


FIGURE 1
The Relationship Between Relationship Maintenance Communications and Partners’ Commitment to Maintaining the Social Exchange Relationship

- Interpersonal Problem Solving Communications
- Environmental Maintenance Communications
- Personal Maintenance Communications
- Contractual Maintenance Communications
- Interpersonal problem solving communications
- Extracontractual Maintenance Communications
- Regulative Maintenance Communications
- Relational Maintenance Communications
- Personal Maintenance Communications
- Contractual Maintenance Communications

Degree to Which Alternative Partners are Perceived to Exist

Satisfaction Experienced from Outcomes of Exchange

Commitment to Maintaining the Social Exchange Relationship

Investments Made in the Relationship
ABSTRACT

Organizational support theory (OST) implies that the maximization of organizational support within the workplace will always have a positive affect on employees’ perceptions of organizational support (i.e. POS), and, the employment relationship. However, social comparison, equity and relative deprivation theories, suggest that individuals compare their inputs (e.g. work effort) and outcomes (e.g. organizational support) ratio with others in the workplace. This research argues that with the inevitable idiosyncrasies in the distribution of organizational support resources, there is likely to be perceptions (to various degrees) of winners and losers amongst employees. A social comparison model is proposed that explores the role of organization-based self-esteem (OBSE), the self-concept, and perceptions of organizational politics (i.e. POP), in employees’ attributions associated with organizational support, specifically when under-benefit (i.e. inequity) of the receipt of organizational support is perceived.

Keywords: Perceived organizational support, Perceived organizational politics, Organization-based self-esteem
ABSTRACT

The objective of our study is to improve the understanding of the effectiveness of appraisal interviews. Its specificity, compared to most studies in the field, is include both the supervisors’ and the subordinates’ perceptions of the same situations. A two-phase study, both qualitative and quantitative identifies four main factors explaining their perception of efficiency of the appraisal interview. It is based on 108 questionnaires filled out by 22 supervisors and 54 of their subordinates and based on the 54 appraisal interviews. Direct as well as moderating effects are tested, pointing out the key influence of personal encouragement.

Keywords: appraisal interview, evaluation, appraisal form

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INTRODUCTION

Improving the effectiveness of performance appraisal systems has been a concern for a long time (Longenecker Clinton O., Liverpool, & Wilson, 1988, Keeping & Levy, 2000). It is a major concern for companies considering that the appraisal process is at the core of Human Resource management (Guerrero, 2004: 94). Human Resource (HR) managers are in charge of designing, implementing and controlling this system, but managers are the main actors of the process which relies mostly on a yearly interview between a supervisor and his/her subordinate.

Research demonstrated the positive influence of appraisal systems on employee satisfaction, motivation and performance: Levy-Leboyer (2007) considers that they can increase people’s motivation through the development of new competencies and the identification of new career perspectives. Yet, many surveys show that it is often disappointing and that many actors doubt about the effectiveness of the appraisal process: Contrary to Human Resource managers’ expectations, the appraisal interview would have little direct influence on HR practices (Schraeder, Becton, & Portis, 2007). A large part of the research on appraisal systems is focused on the technical improvement of the tool used in order to increase its accuracy or on the improvement of the training for supervisors to increase its fairness (Levy & Williams, 2004; Keeping & Levy, 2000). Psychometric studies were centered on evaluation methods, progressively moving from scales based on personality traits towards behavior anchored scales. However, research show little progress on validity and accuracy of performance evaluation (Longenecker Clinton O., Liverpool, & Wilson, 1988).

Efforts were also aimed at improving the training of managers in order to reduce biases due to leniency or severity, or biases linked to the type of information used, more often based on impressions than on facts. They try to improve their feeling of self-efficacy in order to improve feedback, but results are disappointing (Morin et al., 2007).

Formal personnel appraisal systems progressively developed in France in the 70’s and influenced many HR practices towards an increased individualization of training, compensation and career practices (Cadin, Guérin, & Pigeyre, 2007). New regulations imposed the use of appraisal interviews and the issue has become a major concern for HR managers. They appear as a key period in appraisal process. Improving their effectiveness is the focus of our study.

In a first part, we will present the major trends of research on this topic. A two-phase study, both qualitative and quantitative involving supervisors and their subordinates will then identify the main factors explaining their perception of efficiency of the appraisal interview. It is based on 108 questionnaires filled out by 22 supervisors and 54 of their subordinates and based on the 54 appraisal interviews they had experienced recently.

LITERATURE REVIEW

Although some studies conclude to a positive relationship between HR practices - including personnel appraisal - Schraeder et al. (2007: 20) point out that there is an « ongoing debate among practitioners, academicians, and scholars regarding the true efficacy or performance appraisal ». In their meta-analysis, Levy & Williams (2004) analyze the evolution of the concept of performance appraisal effectiveness: until 1990, most of the work was centered on rating accuracy and on possible distortions of performance ratings; later, between 1990 and 1995, more studies were centered on supervisors’ and subordinates’ reactions, moving from psychometric
qualities of the tools to individual reactions in terms of equity, satisfaction or motivation for progress.

In their definition of appraisal effectiveness, Levy & Williams (2004) consider the whole process including rater errors and biases, rating accuracy and appraisal reactions. Concerning this last point, they point out the importance of outcomes which were seldom considered in previous studies such as ownership, input, or perception of being valued (2004: 889), calling attention to the interest of a better understanding of the appraisal interview process. An earlier study from Dobbins, Cardy, Facteau, & Miller (1993: 121) reminds that the main interest of this interview is to motivate the employee to improve his or her performance and Asmuß (2008: 1) notes that « performance appraisal interviews play a crucial role in internal communication ».

Levy & Williams (2004) observe that most studies concern either supervisors or subordinates. Longenecker Clinton O., Liverpool, & Wilson (1988: 319), considering that « both managers and subordinates alike find the appraisal process to be a worthwhile organizational practice », noted that « future research might aim at obtaining items from both manager and subordinate samples in establishing the functions served by the appraisal process ». They encourage studies attempting « to determine how to increase the overall effectiveness of the appraisal process, and the key factors needed for effective appraisals… »

The objective of our study is to improve the understanding of these factors leading to the effectiveness of appraisal interviews. Its specificity, compared to most studies in the field, is to consider the effectiveness of appraisal interviews from both perspectives including supervisors’ as well as subordinates’ perceptions of the same situations. This study is part of a broader research project whose first step (X & Y, 2010b) was focused on the analysis of dyads comparing each subordinate to his or her manager. It showed that their perception of the same interview could be quite different. The present step aims at developing representation patterns for each of the two groups and to identify which were the main factors of the appraisal interview effectiveness for each of them. Based on a preliminary qualitative survey, we developed an instrument allowing to compare the perception of supervisors and that of subordinate on similar questions, including some formal aspects (use of a form, enforcement of organizational rules, discussion of the bonus, action plan), but mainly questions on less formal aspects such as the understanding of the specific situation of the ratee and its aspirations or the encouraging attitude of the rater.

METHOD

Many instruments have been developed to measure perceptions of appraisal systems, but it would have been very difficult to make them fit both to supervisors and subordinates concerned by the same situation. Our goal was more centered on the understanding and the attitudes during the interview and its consequences than on precise criteria linked to the objective or the format of the appraisal system. Specific items were therefore developed based on a qualitative study based on interviews with 22 persons concerned with this question. The content analysis of these interviews allowed to identify the main themes used in the design of our questionnaire and representing the main dimensions of (1) what the respondents experienced during the interview, and (2) the perceived effectiveness of this process.
Identification of supervisors’ and subordinates’ perceptions

Qualitative study

Our qualitative survey was based on interviews with 22 persons: 9 supervisors in charge of conducting appraisal interviews with their subordinate, 8 subordinates who had experienced an appraisal interview, 3 HR managers and 2 consultants. These semi-directive interviews were based on an interview guide starting with an open question - « How did your appraisal interview happen? » - followed when necessary by additional broad questions on themes appearing in the literature, and some more specific questions on the role of the appraisal form in the process.

The interviews lasted an average of 95 minutes. They were transcribed and analyzed using a classical content analysis (Bardin, 2003) to define dimensions characterizing the experience during the interaction and its consequences. Based on this analysis, questions were formulated and pretested with experts in a first step, and then with several employees. The questionnaire was used for a broader survey. In the present study, we used the answers of managers and subordinates having experienced the same appraisal interviews. From a preliminary list of 31 questions was used; 23 were kept after eliminating those which were ambiguous or redundant. The list of these questions is presented in appendix A. They concern how much the personal situation was taken into account, how much the supervisor gave his subordinate personal encouragement, to what degree the form was a support of the meeting, whether or not the question of the bonus was discussed. Indicators of effectiveness were the degree to which the interview allowed a better knowledge of the subordinate’s aspirations, a clarification of his role, results concerning professional improvement, and a more global question on the usefulness of the interview.

Quantitative study

The quantitative study is based on a wider questionnaire from which 23 questions presented in Appendix A were extracted. Questions were measured on a 6-point Likert scale. Because of the complexity of the perceptions which could lead to neutral answers in the middle of the scale, an even number of boxes was preferred, and a “No Answer” possibility was given to respondents. A semantic anchoring for each level was given (“Completely disagree”, “Disagree”, “Rather disagree”, “Rather agree”, “Agree”, “Completely agree”). In order to limit the halo effect, several questions were formulated negatively, and the questions were randomly ordered in order to avoid a contamination effect (Igalens & Roussel, 1998). Questions were adapted to the respondent (supervisor or subordinate) - for instance “My supervisor encouraged me “ or “I encouraged him/her …”. Each of dimension of the interaction experience or the effectiveness of the appraisal interview was made of 1 to 5 items. Cronbach alphas were measured for each of the scales with 3 items or more (see tables 2 and 3.) They were all above .70. For 2-item scales, the correlation coefficient was measured.

Facial and content validity were checked by a pretest by asking experts for their advice and by pretests with employees having an experience of appraisal interviews (Carricano, Poujol, & Bertrandias, 2008). In our sample, 108 questionnaires could be identified as being filled out by respondents belonging to rater-ratee dyads: 22 supervisors and 54 subordinates belonging to various companies (5 supervisors contacted in a transportation company, 3 contacted in a public administration, and 14 coming from an Internet survey).
Multiple regressions were run to identify the main factors linked to each of the 4 dimensions of effectiveness. One of our concerns was to identify how useful the form could have been. Both the direct effect of this variable and its moderating effect on other relationships were tested.

RESULTS
Contrary to Longenecker et al.’s (1988) results, table 1 shows that, when comparing the two groups, the perceptions of supervisors and subordinates are similar: none of the differences are significant at the .05 level, and only one would be significant at .10 level: subordinates have more often the feeling that the bonus was discussed than their supervisors who experienced the same interview situations. This discussion is seldom included in the appraisal interview (1.78 on a 6-point scale). Yet, supervisors and subordinates agree (4.64 and 4.91) to say that the appraisal interview was useful – actually disagreed that it was not useful, as the question has been reversed –.

Table 1: Average answers of raters and ratees to the 8 variables

<table>
<thead>
<tr>
<th>(Means)</th>
<th>Rater</th>
<th>Ratee</th>
<th>Global</th>
<th>Difference</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discussion of the bonus</td>
<td>1.54</td>
<td>2.02</td>
<td>1.78</td>
<td>-0.48</td>
<td>p=0.096</td>
</tr>
<tr>
<td>Support of the form</td>
<td>4.31</td>
<td>4.56</td>
<td>4.44</td>
<td>-0.25</td>
<td>n.s.</td>
</tr>
<tr>
<td>Role clarification</td>
<td>3.79</td>
<td>3.77</td>
<td>3.78</td>
<td>0.02</td>
<td>n.s.</td>
</tr>
<tr>
<td>Knowledge of aspirations</td>
<td>4.67</td>
<td>4.58</td>
<td>4.63</td>
<td>0.08</td>
<td>n.s.</td>
</tr>
<tr>
<td>Taking into account the personal situation</td>
<td>4.37</td>
<td>4.22</td>
<td>4.30</td>
<td>0.15</td>
<td>n.s.</td>
</tr>
<tr>
<td>Personal encouragement</td>
<td>4.57</td>
<td>4.41</td>
<td>4.49</td>
<td>0.16</td>
<td>n.s.</td>
</tr>
<tr>
<td>Usefulness of the interview</td>
<td>4.91</td>
<td>4.64</td>
<td>4.77</td>
<td>0.27</td>
<td>n.s.</td>
</tr>
<tr>
<td>Professional improvement</td>
<td>4.55</td>
<td>4.23</td>
<td>4.39</td>
<td>0.33</td>
<td>n.s.</td>
</tr>
</tbody>
</table>

Tables 2 and 3 present the correlations between the variables of the study for each of the two groups of respondents – supervisors and subordinates –. The results are often similar in the two groups, but they differ in the links they perceive between some of the variables: Supervisors clearly relate the support of the form to the knowledge of their subordinates’ aspirations ($r = 0.52$), but subordinates do not make this link ($r = 0.10$). Evaluators clearly relate taking into account the personal situation of their subordinates to the knowledge of their aspirations ($r = 0.61$), but subordinates do not make this link ($r = 0.36$). Subordinates ($r = 0.38$) relate much more than supervisors ($r = 0.17$) role clarification to the discussion of a bonus.
A more precise analysis of the links between these variables was conducted using multiple regressions for each of the 2 groups in order to evaluate the relative impact of each of the factors related to the interaction on the dimensions of effectiveness and the moderating effect of the support of the form. This moderating effect on the relationship between two variables was measured by including in the regression the interaction (product of these two centered and reduced variables). Tables 4 and 5 present the results of these multiple regressions for supervisors and for subordinates.
Table 4: Regressions of effectiveness variables for raters (supervisors)

<table>
<thead>
<tr>
<th>Rater (N=54)</th>
<th>E1 Knowledge of aspirations</th>
<th>E2 Role clarification</th>
<th>E3 Professional improvement</th>
<th>E4 Usefulness of the interview</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Coeff.</td>
<td>p</td>
<td>Coeff.</td>
<td>p</td>
</tr>
<tr>
<td>D1- Taking into account the personal situation</td>
<td>0.32</td>
<td>0.03 *</td>
<td>0.12</td>
<td>0.48</td>
</tr>
<tr>
<td>D2- Personal encouragement</td>
<td>0.22</td>
<td>0.12</td>
<td>0.39</td>
<td>0.03 *</td>
</tr>
<tr>
<td>D3- Support of the form</td>
<td>0.21</td>
<td>0.16</td>
<td>-0.02</td>
<td>0.93</td>
</tr>
<tr>
<td>D4- Discussion of the bonus</td>
<td>0.01</td>
<td>0.95</td>
<td>0.11</td>
<td>0.43</td>
</tr>
<tr>
<td>Interaction D2*D3</td>
<td>0.37</td>
<td>0.02 *</td>
<td>0.08</td>
<td>0.66</td>
</tr>
<tr>
<td>Interaction D1*D3</td>
<td>-0.08</td>
<td>0.57</td>
<td>-0.13</td>
<td>0.42</td>
</tr>
<tr>
<td>Constant</td>
<td>-0.09</td>
<td>0.52</td>
<td>0.04</td>
<td>0.81</td>
</tr>
<tr>
<td>R²</td>
<td>0.48</td>
<td>0.48</td>
<td>0.66</td>
<td>0.45</td>
</tr>
</tbody>
</table>

+ : p<0.10  * : p<0.05   ** : p<0.01

Table 5: Regressions of effectiveness variables for ratees (subordinates)

<table>
<thead>
<tr>
<th>Ratees (N=54)</th>
<th>E1 Knowledge of aspirations</th>
<th>E2 Role clarification</th>
<th>E3 Professional improvement</th>
<th>E4 Usefulness of the interview</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Coeff.</td>
<td>p</td>
<td>Coeff.</td>
<td>p</td>
</tr>
<tr>
<td>D1- Taking into account the personal situation</td>
<td>0.34</td>
<td>0.02 *</td>
<td>0.25</td>
<td>0.10 *</td>
</tr>
<tr>
<td>D2- Personal encouragement</td>
<td>0.18</td>
<td>0.22</td>
<td>0.14</td>
<td>0.36</td>
</tr>
<tr>
<td>D3- Support of the form</td>
<td>0.08</td>
<td>0.55</td>
<td>0.01</td>
<td>0.95</td>
</tr>
<tr>
<td>D4- Discussion of the bonus</td>
<td>0.10</td>
<td>0.46</td>
<td>0.24</td>
<td>0.10 *</td>
</tr>
<tr>
<td>Interaction D2*D3</td>
<td>0.44</td>
<td>0.01 *</td>
<td>0.16</td>
<td>0.39</td>
</tr>
<tr>
<td>Interaction D1*D3</td>
<td>-0.35</td>
<td>0.03 *</td>
<td>-0.07</td>
<td>0.42</td>
</tr>
<tr>
<td>Constant</td>
<td>0.16</td>
<td>0.24</td>
<td>0.06</td>
<td>0.66</td>
</tr>
<tr>
<td>R²</td>
<td>0.35</td>
<td>0.24</td>
<td>0.54</td>
<td>0.29</td>
</tr>
</tbody>
</table>

+ : p<0.10  * : p<0.05   ** : p<0.01

Figures 1 and 2 illustrate these results. They show that, for supervisors as well as for subordinates, professional improvement is improved by personal encouragement (supervisors : B=0.65, p<0.01; subordinates : B=0.34, p<0.01) and by taking into account the personal situation (supervisors : B=0.33, p<0.01; subordinates : B=0.32, p<0.01). Taking into account the personal situation also improves the knowledge of aspirations (supervisors : B=0.32, p<0.05; subordinates : B=0.34, p<0.05). Supervisors relate role clarification to personal encouragement (B=0.39, p<0.05); for subordinates it is rather linked to the fact of taking into account the
personal situation ($B=0.25$, $p<0.10$) and to discuss the bonus ($B=0.24$, $p<0.10$). They also consider that personal encouragement is an important factor contributing to the usefulness of the appraisal interview ($B=0.35$, $p<0.05$).

**Figure 1:** Significant relationships for supervisors

**Figure 2:** Significant relationships for subordinates
Supervisors and subordinates both consider that the support of the form is a condition for a positive relationship between personal encouragement and knowledge of aspirations. Figure 3 illustrates this moderating effect, showing that there is a strong relationship only when there is a high support of the form during the interview (interaction effect: supervisors $B = 0.37$, $p<0.05$; subordinates $B = 0.44$, $p<0.01$). For subordinates, the support of the form also reinforces the relationship between taking into account the personal situation and knowing the aspirations ($B = -0.35$, $p<0.05$). For supervisors on the contrary, a lower support of the form reduces the feeling of usefulness of the interview when the personal situation is not taken into account ($B = -0.44$, $p<0.01$).

**Figure 3: Moderating effects of the support of the form**
DISCUSSION

The goal of our study was to identify the factors linked to the interaction during the appraisal interview which would best explain the various dimensions of the effectiveness of this interview for supervisors and subordinates referring to the same experience in order to be able to compare them. Similarities, but also many differences appeared showing that the same situation can be interpreted differently by different actors.

Role clarification

The appraisal process is sometimes considered as a constraint by managers (Trépo, Estellat, & Oiry, 2002), but it allows them to maintain their managerial status, to develop their understanding of work situations and their perception of existing dysfunctions (Ientile-Yalenios, 2009). Those who are evaluated can see it as a way of expressing themselves and clarifying some situations. The organizational role includes activities, norms and behaviors expected by others (Banton, 1965; Katz & Kahn, 1966). Our results show that increasing role clarification during the appraisal interview is not easy. Supervisors tend to consider that they just have to encourage their subordinates, but subordinates consider that it involves taking into account their personal situation and that it is related to the bonus, often related to how the role was held during the period preceding the appraisal interview.
**Personal encouragement**

Encouraging people, helping them and giving them signs of recognition helps building confidence. The literature on Leader Member Exchange (LMX) shows that the quality of the relationship between a manager and his/her subordinate is positively associated to the perception of possibility of expression (“voice”) during he appraisal interview. The appraisal system is embedded in a preexisting exchange relationship which partly determines the context of the appraisal interview (Elicker J.D., Levy P.E., & Hall R.J., 2006). Subordinates in our sample consider that it is related to professional improvement and a condition for the usefulness of the appraisal interview.

Supervisors as well as subordinates agree on the fact that personal encouragement increases professional improvement. It is a form of organizational support brought by the supervisor. Eisenberger R., Cummings J., Armeli S. & Lynch P. (1997) showed the positive consequences of perceived organizational support.

The positive relationship found for supervisors between personal encouragement and role clarification may be explained by the fact that encouragements encourage to define precise objectives. Cawley, Keeping, & Levy (1998) show that forms of participation allowing employees to express their opinion are directly related to satisfaction and acceptation of the appraisal system, to feelings of equity and willingness to improve.

**Discussion of bonus and role clarification**

Companies often recommend not to discuss issues related to compensation during the annual interview. Employees however often expect to discuss about their bonus or salary increase (Trépo et al., 2002). They consider that the appraisal interview is the ideal framework to express their wishes, particularly when they consider that they have been performant or when they got an informal positive feedback on the quality of their work. Our results show that subordinates tend to consider that discussing their bonus helps clarifying their role, have a better understanding of their work and a better coordination with their colleagues. Discussing the bonus implies evaluating the person’s contribution to his/her mission and therefore making more explicit the supervisor’s expectations.

**Knowledge of aspirations, support of the form and personal situation**

Although the supervisors perceive that using the form is helpful to know their subordinates’ aspirations, this relationship is not perceived by the subordinates who may consider that a form would prevent their supervisor to listen and understand them. The form can be seen as constraining rather than helpful for this purpose. The supervisors’ perception can be explained by the fact that most appraisal forms now include questions on motivation, training needs and career expectations (X & Y, 2010a).

The clear relationship found for both raters and rates can be explained by the high importance given to personal factors such as the family situation in decisions on career evolution. Aspirations cannot be defined without knowing the person’s situation, and particularly the importance his gives to his professional versus his personal life.

**The moderating effect of support of the form on the relationship between personal encouragement and knowledge of aspirations**

For both the supervisors and the subordinates, the knowledge of aspirations is increased when by personnel encouragement mainly when the interview is supported by a form. Without the support
of a form, encouragements do not significantly improve the knowledge of aspirations. This result can be explained by the fact that most forms include questions on motivations and career expectations. The discussion on this topic is therefore more precise and leads the manager to advise and support his subordinate. Appraisal supports however do not meet the same deeds for the rater and for the rate. Formalizing these conclusions may reassure the rate on the fact that some of the points discussed during the meeting will be taken into account in a form of contract.

Dumond & Trépo (2002) suggest to analyze the appraisal interview according to three types of relationships based on authority, transactional relationship or individual value, developing Maier's (1958) typology distinguishing “tell and sell”, “tell and listen” and “problem solving” interviews. The first type of relationship focuses on conformity to results. The second is built on a contribution vs. retribution ratio and reciprocal commitments based on negotiated objectives. This type of appraisal defined as a contract has been developed by Savall (2003). The third type is based on individual values, mutual recognition and willingness to work in teams. A lack of coherence between relational modes and the appraisal process might explain negative perceptions of the appraisal system.

CONCLUSION

Based on our qualitative study, we proposed a definition of the effectiveness of performance appraisal interviews including three dimensions, professional improvement, role clarification, knowledge of aspiration, and a global measure of the usefulness of the interview. The main determinants of each of these dimensions were identified with a quantitative survey based on the perception by supervisors and their subordinates of 54 appraisal interviews.

Two variables played a key role in explaining the effectiveness of appraisal interviews, personal encouragement and taking into account the personal situation of the ratee. The study also explains the importance of the appraisal form which helps orienting the action of managers towards a better knowledge of their subordinates. It also appears that the bonus is often disconnected from the process, but that it may be an opportunity for subordinates to clarify their role.

Other dimensions could be integrated in our model: it would be interesting to include variables measuring the relational context within which the appraisal process takes place. Research on appraisal systems increasingly considers the influence of the dyadic relationship between a supervisor and his subordinate (Levy & Williams, 2004). Mayer & Davis (1999) insist on the importance of trust in this relationship. Others (Roberts, 2003) point out that affinity links or lack of training of the rater are often the obstacles to a fruitful participation of the ratee during the interview. Further research might use Giddens structuration theory to include both constraining and habilitating aspects of personnel appraisal situations.
REFERENCES


**APPENDIX A**

Questions and variables used in the survey *(translated from French)*

<table>
<thead>
<tr>
<th>- <strong>Taking into account the personal situation</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>While listening to me, he/she (I) could better understand some situations</td>
</tr>
<tr>
<td>He/she (I) could better understand the link between my personal situation and my present work</td>
</tr>
<tr>
<td>We could understand better how my work was influenced by external factors which I don’t master</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>- <strong>Personal encouragement</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>My supervisor gave me (I gave him/her) indications which should favor my professional evolution</td>
</tr>
<tr>
<td>My supervisor encouraged me (I encouraged him/her) to propose objectives for the next period</td>
</tr>
<tr>
<td>I (He/she) appreciated the recognition signs given by my supervisor (I gave him/her) during the interview</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>- <strong>Support of the form</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The form facilitated our interactions</td>
</tr>
<tr>
<td>The form was useful to formalize the conclusions</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>- <strong>Discussion of the bonus</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The meeting was the opportunity to discuss the bonus which would be granted</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>- <strong>Knowledge of aspirations</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Now, my supervisor knows (I know) better what motivates me (him/her) in my (his/her) work</td>
</tr>
<tr>
<td>My supervisor knows (I know) better my (his/her) wishes for professional evolution today</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>- <strong>Role clarification</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>We made clear which were the responsibilities of everyone</td>
</tr>
<tr>
<td>The interview allowed him/her (me) to remind which are the rules for the functioning of the service</td>
</tr>
<tr>
<td>The interview allowed me (him/her) to understand better how to do my (his/her) work</td>
</tr>
<tr>
<td>The interview allowed me (him/her) to better coordinate with my (his/her) colleagues</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>- <strong>Professional improvement</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Our meeting was constructive</td>
</tr>
<tr>
<td>The interview should allowed me (him/her) to reach better results at work</td>
</tr>
<tr>
<td>We brought up solutions in order to solve the problems</td>
</tr>
<tr>
<td>He/she (I) could better appreciate the competencies to be developed in order to improve my work</td>
</tr>
<tr>
<td>The interview lead to a precise action plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>- <strong>Usefulness of the interview</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The interview was a constraint we should better have avoided <em>(reverse)</em></td>
</tr>
<tr>
<td>The interview had little interest and didn’t bring anything new <em>(reverse)</em></td>
</tr>
<tr>
<td>All we did is repeat what we say everyday <em>(reverse)</em></td>
</tr>
</tbody>
</table>
ORGANIZATIONAL JUSTICE IN THE NEW PUBLIC SECTOR: MEDIATING THE LMX AND ORGANIZATIONAL COMMITMENT RELATIONSHIP

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ABSTRACT
Employee commitment has been recognized as a key to organizational success. However, how commitment is created and maintained, particularly during periods of upheaval in organizations, is unclear. Exchange theory proposes that the relationship an employee has with his or her supervisor (leader-member exchange: LMX), and the employee’s perceptions of the extent to which they are treated fairly, are significant factors in building employee commitment. Focusing on a context of transformational change in the UK public sector, this paper explores one newly-formed organization’s experiences following a merger of two government agencies. Data from 1,226 employees were analyzed to explore the antecedents of organizational commitment. Results show a direct relationship between LMX and organizational commitment, however procedural and interactional justice showed only an indirect link with commitment through distributive justice. Implications for further research and for practice are discussed.

Keywords: Workplace commitment; organizational justice; social exchange theories; employment relationships.
IMPLICIT AND EXPLICIT INCENTIVES TO COOPERATE IN TEAMS

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ABSTRACT
This paper provides an empirical analysis of the relation between implicit/explicit incentives and cooperation in teams. Using information from a very detailed French matched employer/employee survey on computerisation and organisational change (COI), we identify some crucial practices of teamwork and assess their impact on cooperation among colleagues, hourly salary and the employees’ perceptions about their working environment. According to the theoretical literature, cooperation in teams can arise from the use of external incentives, i.e. imposed by formal contracts or external arrangements (external monitoring, performance evaluation, use of team-based rewards, task assignment) but also from work practices that generate implicit incentives to exert effort. Following the theoretical economic literature we identify the following work practices that can act as mechanisms to foster cooperation in teams: repeated interactions with co-workers, peer monitoring, interdependencies in production, job autonomy (to decide the workload and divide the tasks among colleagues) and task variety assignment.

The research questions we address are: how do the different work practices we identify relate to mutual help at work? What is the interplay between explicit and implicit incentives on mutual help? Do explicit incentives tend to crowd out or to enhance implicit incentives? How are hourly salary and the perception of having a good working environment affected by the different work practices?

In general we find a positive impact of these work practices on cooperation, but we find important differences in the way they affect employees’ salary and perceptions about their working environment.

Keywords: Teams, Cooperation, Teamwork Practices, Performance Assessment, Performance Reward Schemes.
ARCHITECTURE: A ‘REWARDING’ CAREER? :
AN ANGLO-FRENCH COMPARATIVE STUDY OF INTRINSIC REWARDS IN THE ARCHITECTURE PROFESSION

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ABSTRACT

This paper examines the concept of informal networks and relationships as the basis for intrinsic rewards. Drawing upon the rewards literature in conjunction with professional identity and career management, we report the findings of an Anglo-French comparative study into the careers of architects. Drawing on data from 84 in-depth interviews with UK and French-based architects, adopting a career history method within the interpretive paradigm, we argue that these relationships provide a significant amount of intrinsic satisfaction and thus reward which has been hitherto overlooked.

Key words: workplace motivation, workplace commitment, intrinsic rewards

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Introduction
In common with many other professions in the creative and construction industries, architecture is subject to high levels of employment insecurity coupled with low levels of remuneration. This contrasts with other professions which require a similar level of education prior to qualification such as law and accountancy which enjoy high salaries and employment security. The question which this research aims to explore is, given these characteristics, what is it which attracts people to the profession and what keeps them there? The research draws on data collected in the UK and France as there are significant similarities with poor remuneration and job insecurity featuring in both countries.

Existing research into the architecture profession in both countries has overwhelmingly focussed on women and the lack of equality (Fowler and Wilson 2004); the ‘feminisation’ of the profession and resulting ‘depreciation’ in status (Lapeyre, 2004; Chaidoin, 2007); stress (Sang et al, 2007) and why women leave (De Graft-Johnson et al, 2003; Adams and Tancred, 2000). With the exception of Caven (2004, 2006a, 2006b) there is a dearth of research on what brings people in to the profession and what keeps them there. Drawing on qualitative interviews carried out within the interpretive paradigm with architects in both the UK and France, this exploratory paper examines the concept of intrinsic rewards in depth and asks to what extent can they act as a substitute for other more tangible forms of compensation?

The Rewards from Professional employment
Professional employment is traditionally characterised by a monopoly power, public service over private gain, codes of ethics governing behaviour and higher rewards to reflect the prestige of the individual and their contribution to society (Barber, 1965). The monopoly power is achieved by becoming registered or licensed by an appropriate professional body following the attainment of qualifications and requisite periods of professional practice. Within the UK, Schools of Architecture are long-established but the formation of such Schools in France did not begin until after 1968. Until this time, architectural education was provided by the Ecole des Beaux Arts in Paris. Membership of the appropriate professional body is accompanied by codes of conduct to promote ethical behaviour and formerly, fee scales were in place to regulate the levels of private gain. The notion of higher rewards to reflect both individual prestige and as an indicator of value to society is what interests us here.

Architecture differs from other equivalent professions in that it does not enjoy the relative employment security of law or accountancy for example. The profession is characterised by project-based work and is subject to periods of ‘boom and bust’ as a result of economic conditions. Nor are salaries comparable with other professions with architects earning an average of £40,000 per annum in the UK and €52,000 in France (Source: RIBA, 2009; Chaidoin and Evette, 2010). The minimum time spent studying and gaining the relevant practical experience is seven years in the UK and six to eight years in France. Thus the financial rewards are a poor indicator of the ‘deferred compensation’ expected by those who have invested much time and effort in to gaining qualifications in order to exercise ‘monopoly power’ (Johnson, 1972).

Intrinsic rewards
Intrinsic rewards are those over which the employer has little control (Lupton and Bowey, 1983) but which affect the levels of job satisfaction of the individual. Generally, they cover intangible
areas such as intention to remain with the employer, responsibility and autonomy, opportunities to achieve and develop, recognition and quality of working life (Armstrong and Stephens, 2005) and are linked to motivation theory, Herzberg’s Two Factor theory in particular. However, there is a tendency to attempt to provide measurable scores, Lupton and Bowey (1983) rank various factors in accordance with firm size and age of the individual to provide a score. They argue that where the intrinsic rewards are greater than 5 then compensatory rewards are not necessary in addition; whereas those below require job redesign to indicate higher status and monetary rewards are necessary. There is the assumption here that all employees will feel the same way about each of the factors and individual preferences are ignored.

In addition to the above, the architecture presents a additional set of challenges: firm size ranges from an individual working alone to large organisations; networks are formed for the projects and then disbanded on completion; and, employment security is a significant feature with the construction industry being highly sensitive to economic cycles and political changes. Therefore, we must examine other features which have an impact upon work satisfaction and intention to remain in the profession thus follows a discussion of professional identity and relationships which we argue have significant value and have been hitherto overlooked.

Identity as reward: Regarding the individual prestige and value to society mentioned earlier, architects create objects of aesthetic value via their designs which gain them recognition and lead to further commissions. However, there arises a conflict – of how to maintain oneself or business while focusing on the creative activities, a question first raised by Winch and Schneider (1993). Architects possess individual ‘styles’ of design which both arise from and serve to maintain their individual identity, however the pressures of “this workplace competition to acquire material security and dignity can further intensify subjective insecurity” (Collinson, 2003:531). The recognition and status resulting from creating public may provide an element of recompense for the poor salaries but Cohen et al, (2005:789) found while “[c]reativity is certainly valued, but as a means to an end rather than the end in itself” (Cohen et al, 2005:789), suggesting it cannot entirely compensate for the relatively poor salaries.

Thornborrow and Brown’s discussion of ‘aspirational identities’ offers more to explain the rewards obtained when they say “the journey is perilous, and success not merely uncertain but (for most) perpetually deferred; yet this is acceptable because the process of becoming is itself valued” (Thornborrow and Brown, 2009:371 emphasis added). It is this process of becoming which acts as the reward rather than the actual achievement of something tangible.

Relationships as reward: Professional work is associated with autonomy and freedom to run one’s own projects however the reality is that this happens within organisations and networks. Professions are governed by professional bodies with codes of conduct and requirements for continuing professional development to maintain standards as such they are intended to be self-governing. The nexus of relationships within and without organisations is thus of not inconsiderable importance regarding the success or otherwise of an individual’s career. Higgins and Thomas (2001) provide a detailed discussion of the importance of mentoring and career success, however they develop the concept to include what they term ‘constellations’ of developmental relationships. Here they examine the “quality of an individual’s entire set of developmental relationships” (Higgins and Thomas, 2001:226) which attempts to ‘measure’ the value added by other stakeholders to the individual’s career success. In architecture, due to the
project-based nature of the work, these networks and constellations are essential for career (and business) survival in attracting and maintaining clients. We contend that while there is value in doing so, other aspects exist which are not quantifiable – such as the intrinsic rewards obtained from these relationships. In addition, the constellations focus on the success or otherwise derived by the individual only in terms of their career. What is unclear is whether any satisfaction is derived from maintaining and developing them aside from this.

**The architecture profession in Britain and France**

There are around 30,000 qualified architects in each country (Source: ARB, 2010; Chadoin and Evette, 2010); in 2009 women represented 22% of the total qualified architects and 39% of new entrants in France (Source: Chadoin and Evette, 2010) and 14% in the UK (Source: ARB, 2010). The rise in the numbers of women entering and remaining in the profession has been much more rapid in France than the UK which is somewhat surprising as there are few opportunities for part-time and/or flexible working in France. Chadoin (2007) reports that salaries are on average higher for women than for men in France due to women choosing jobs within the public sector. The normal mode of practising is as a *liberale* (equivalent to the sole practitioner in the UK) with over 50% working this way (Chadoin and Evette, 2010). However, this prevents the hiring of a non-architect to run the business leaving the architect free to design and is cited by Champy (2008) as the key reason for why French architects are unable to compete with practices which operate on the Anglo-Saxon model and why so many large projects in France are designed by foreign (in particular UK) based architects.

The sociological origins of the profession differ widely between the two countries (Sciulli, 2005) as well as the political and social environments in which it operates but as Davenport (2000:76) argues “despite cultural diversity, there is no appreciable difference between the two construction industries in their effectiveness in producing buildings”. Common to both countries is that the construction industry and architecture profession is male-dominated, physically demanding and combative. We now turn to discuss the research itself.

**Methods**

In-depth semi-structured interviews in the qualitative paradigm using a career life history approach were carried out with 55 UK architects and 39 French architects. All were selected at random from the register of members held by their respective professional associations and ‘licensing’ body: the Royal Institute of British Architects (East Midlands region) and l’Ordre des Architectes (of the Poitou-Charentes). Both regions were chosen because of they possess a mix of urban and rural architectural firms with projects varying from large-scale industrial to small-scale domestic. In addition, both regions have areas where conservation of natural heritage is of key importance.

Comparative studies are frequently used in sociological research but are rarely used in cross-national studies (Winch and Campagnac, 2001) with Goodchild *et al* (2010) suggesting that while the French experience has been overlooked in British research, it provides a valuable means of comparing trends in relation to work and organisations. Winch (2000) cites Zweigert and Kötz (1998:v) stating that “it is from comparison that knowledge comes”.

Interviews were conducted face to face in the UK and via telephone (using Skype and Callburner recording software) for the French architects by one of the authors who is a native French
Speaker. Initial concerns about the quality and depth of data from the telephone interviews might not be as rich as those conducted face to face were alleviated following preliminary analysis. While we did not have the advantage of being able to note facial expressions or other non-verbal aspects of communication, questions were answered candidly and fully. Along with Irvine (2010), we did not feel that rapport was compromised as many interviewees engaged the interviewer in additional conversation on completion of the interview, trying to guess which region she was from based on her accent and asking questions about the architecture profession in the UK. Overall, the only appreciable difference was that the telephone interviews were shorter in length than those conducted face to face but we totally concur with Irvine’s observation that “more data may not necessarily mean better data” (Irvine, 2010:5 emphasis in original). A clear advantage was that it was easier to bring the telephone interviews to a close. In contrast where interviews were carried out in the homes of some of the UK respondents, it was, on occasions, difficult to leave as tours of the ‘home office’ would be offered or more cups of tea made. However, these opportunities do provide a valuable insight into the ‘whole’ life of the subject which was not present with the telephone interviews.

Questions that were asked focused on what attracted them to architecture in the first instance, then their experiences of studying and career development were discussed along with the pressures and satisfactions of being an architect.

The age range of the UK architects was from 27-72 with the eldest three being retired; the French architects were aged from 30-83 and all (bar one aged 70) were still practising. Of the UK architects, three had qualified outside of the UK (Greece, Turkey and Iraq) while six of the French respondents had qualified outside France (Two in the UK, Ireland, Bulgaria, Lebanon and Germany). Qualifications have been recognised as equivalent in the original EU member countries since 1985 which meant that only those who had studied outside of the EU or in the newer member states had to re-qualify on moving to either the UK or France. This did not apply to the architect who qualified in the Lebanon (which has a longstanding connection with France) as her school of architecture qualifications were already validated by l’Ordre des Architectes.

**Findings and discussion**

We now present our analysis of the findings starting with a discussion of what attracted the respondents to a career in architecture and their experiences of their studies. We then briefly look at how their careers developed following qualification focusing on the rewards and satisfactions in a non-monetary sense.

**Becoming an architect**

Reasons for becoming an architect were identical and challenge the traditional notion of career choice being as a result of reasoned and well-researched decision, in that it was essentially a ‘basic instinct’ and something which the majority had in mind from being young children. By far the majority of our sample indicated that becoming an architect was an ambition they had had since childhood with explanations such as “I used to break everything and try to rebuild it”, another described how as a child he would ride around the streets of Paris on his bicycle and spend “three hours just looking at a street”. Others told of how they designed dolls’ houses and built tree houses as children.
Following this were those who had been influenced by family members who were involved in the construction industry as architects, surveyors, engineers and as craftsmen giving a useful insight into what is involved. Many of the women we interviewed had parents or family friends involved in construction and so were not put off by the thought of the macho culture usually associated with the industry.

The third most common reason offered for choosing architecture was being good at drawing and frequently this was cited along with one of the previous two explanations. Several of the UK respondents mentioned they were good at both maths and art and questioned “what else can you do with those?”

What was surprising was the lack of research and investigation into the actual profession on the part of the respondents. No one told of carefully researching the salaries, qualifications required, job roles and modes of practising prior to making the decision to become an architect which contradicts much established thinking on career choices being made following thorough examination of individual self-concept and the environment in which that individual lives (Super 1984) or by the ‘matching’ of the individual and occupation (Hall 1976).

**Studying**

Despite the similarities in reasons for choosing architecture as a career, there are marked differences in the experience of studying between the UK and French respondents with the French architects reporting much more positively than their British counterparts. Several, including the French architect who qualified in the UK described their studies as “fantastic” and “exciting!” although one commented that it is “not a profession for the faint-hearted”. Many developed a network of clients while they were studying “the day after I qualified I set up my own business and the day after I had four people working for me” another commented “once I’d finished my studies I had much more work than my employer!” However, a criticism mentioned by many interviewees was that business and management skills were not taught with one commenting “It’s interesting you’re calling from a Business School because that’s the one thing I didn’t study at college”.

The UK respondents painted a much more negative picture of studying citing arduous workloads with frequent “all-nighters” to meet deadlines, discrimination of women and minorities by tutors, also there was widespread condemnation of the assessment process known as the ‘crit’ which involves public scrutiny of designs by tutors and an invited panel of practising architects. In common with the French respondents, there was much mention that business and management skills were not taught suggesting that for the profession in both countries, design success is perceived as being of higher value than business success.

**Career development, stresses and rewards**

Differences between the profession in both countries become much more apparent on completion of studies with UK architects aiming to develop their career within a practice. However, the tradition in France of operating as a *liberale* meant that most of the French respondents moved to this mode of practising as soon as possible. While this compares with what is known as the ‘sole practitioner’ in the UK, this mode of operating tends to be followed as a response to redundancy; as a means of combining childcare and work; or later on in the career, following a significant period of employment in a practice.
The UK respondents who were employed in practices overwhelmingly showed the lowest amount of job and career satisfaction; we heard of long work working hours where “40 hours is a short week for me”; another told of illness saying she was “nearly losing my mind, we’d worked for 18 days on the trot … before I collapsed”. Long working hours demanded by employers were also blamed for divorces and relationship breakups. There is a ‘stigma’ attached to sensible working hours in the UK (Eikhof et al., 2007) especially in the construction industry where high degrees of job insecurity demand that commitment is shown through being prepared to work these hours. As a contrast, those who were either sole practitioners or who were principals of their own companies reported that long hours were not a problem with “I do around 75 hours a week but that’s because it’s my own business now” considering it as an investment for the future.

Working hours were much less of an issue for the French architects, possibly due to working as a *liberale* means there is greater flexibility with one saying “I have the freedom to spend the morning cooking and then the evening working until goodness knows what time”. Another commented

“It’s the best job in the world! Working independently (as a liberale) is extremely good for a woman because it’s allowed me to have children and to bring them up while I carried on working – there’s a lot of freedom”  

While freedom in terms of time featured strongly among the French architects, they strongly highlighted being restricted by bureaucracy, not in the sense of stifling creativity but in the administration of projects. Those who worked on public sector projects complained of having to meet stricter regulations than for private sector schemes. In addition, architects in France are liable for any problems including, contractors’ mistakes, with the buildings for 10 years after completion (*responsabilité décennale*) which provides additional stress. Practising as a *liberale* does not carry limited liability in the same way as working in a company does and one architect told of another architect who had lost his house due to claims made against him. Several mentioned the anxiety this caused them especially as any outstanding debts will pass to their children on death.

A negative aspect of the profession highlighted by both the French and English interviewees was the lack of prestige and status associated with the profession. Despite the length of time prior to qualification being the same as to achieve legal or financial professional status, the monetary rewards do not compare with several making comparisons with their friends who had become teachers, dentists or managers.

There was also a feeling among both groups that their professional status was under threat from less qualified individuals such as project managers (in the UK) and *Maîtres d’Oeuvres* (France) with one architect saying “In France, we’ve allowed other professionals who aren’t bound by the same contracts to compete with architects … they’re like illegal doctors … but they’re the ones who build all the houses”. A recurring theme among the French architects was the poor quality of housing design, from the HLM’s (Low rent public housing) from the immediate post-War period to the current “pavillonneurs who have sprayed French soil with their maisons caca” (poor quality housing) frequently seen today. The UK architects felt that their role as the chief coordinator of projects had been taken over by project managers and that the professional body (RIBA) should do more to protect the role rather than just the title architect with one saying “I
think architecture will die out you know … I blame our professional body, they’re living in the past”. These direct challenges to the monopoly power and professional status are in direct contrast to the fundamental aspects of professional identity as argued by Barber (1965) and Larsen (1977).

Having considered the negative aspects of the architectural career, we now consider what the rewards and satisfactions and how these contribute towards remaining in the profession. Willis et al, (1970:1) describe the profession as follows:

Architecture is undoubtedly one of the most enjoyable professions. It offers a wealth of interest in a variety of fields which few other professions can match, and provides an emotional satisfaction which only the other arts can stimulate

Our respondents, on the whole, concur with several describing it as the “best job in the world” and “It’s a profession I like very much. The proof is that at the age of 77 I’m still an architect and I don’t want to stop”. Others were more to the point with “I love it!” which leads us to our central research question of given the problems discussed above, what are the rewards which keep architects in the profession?

Clearly, the professional qualifications may exist to some extent as a barrier to exit however, there are many other occupations for which the training is appropriate. Indeed, as Lapeyre (2004) and Chadoin (2007) discuss, women architects in France earn more than their male counterparts because they have diversified using their training in a job-related sense, in many cases to the public sector, and generally enjoy greater employment security as a result. So what of those architects we interviewed who have described the insecurity, the low pay, the bureaucracy and the undermining of profession status – what keeps them in the profession? We will now discuss the more positive aspects of being an architecture considering professional identity, creativity and the positive relationships/networks of stakeholders which combine to provide strong intrinsic rewards and contribute towards providing a sense of satisfaction and wellbeing towards the profession.

While the undermining of professional status was seen as an issue for architects in both France and the UK, designing buildings which are visible to all helps create a strong sense of professional identity through there being a lasting legacy. Our oldest respondent, at 83 years old, commented “To walk around town and say ‘That’s mine, that’s mine …’ it’s not a bad feeling to have. For the last few years, I’ve been signing my work, I tell myself ‘That way there are traces left of me’”. Another said “Architects have huge egos, and quite rightly … when you build something decent … and it could last 200 years”. Others mentioned about creating buildings which satisfy the needs of the clients and the end users. One of the UK architects specialises in converting homes for people who have been disabled as a result of accidents and says her reward comes from helping someone who was previously confined to a single room be able to access all areas (and levels) of their home.

Certainly, these (altruistic) acts match what Barber (1965) explains as public service over private gain but it is also necessary to consider not just the tangible effects of creating buildings. A building must fulfil the project brief and aside from whether it meets the physical requirements, client satisfaction is paramount both for the possibility of being recommended to others or for repeat business but also as an intrinsic reward for the architect him or herself.
Relationships were highlighted throughout as being valued whether they were with clients with “one of the pluses is you go to see clients [in the evening] and they open a bottle of wine and talk”. One was thrilled to find that some clients had nicknamed him ‘Silver Fox’ as they considered him to be clever and cunning as well as being grey-haired. Others spoke of relationships to ensure smooth progress of projects with one commenting “you mustn’t be afraid of playing the whore in front of the mayor … I must admit that I have done that a bit!” another analogy used here was the need to “prostitute” oneself. While others spoke of how they developed relationships with other stakeholders such as engineers and when they asked how much they owed him for his professional advice, he would reply with “Oh how about a nice bottle of claret?”. Networks are formed for the duration of projects then disbanded; certain players may reform in different groupings for future projects. On small scale schemes, much depends on recommendation rather than on competitive tendering; thus, much depends on reputation and ‘word of mouth’.

We argue that it is these relationships which are of paramount importance in providing additional intrinsic rewards alongside the aspects of creativity and having esteem issues met as we discussed earlier. As yet, literature on intrinsic rewards barely acknowledges their relevance and importance.

Conclusions
It is evident that a career in architecture is not an easy option in either country; job insecurity, poor financial rewards and intense competition for projects are prevalent. However, the enthusiasm and genuine ‘love’ for the profession was clearly evident from our respondents. They identified that there are additional factors over and above the more conventional aspects of reward (both extrinsic and intrinsic) which serve to aid their retention in the profession. We argue that more research is necessary to examine the inter- and intra-firm relationships, networks and friendships which provide a significant sense of satisfaction and well-being.

References
EMPLOYEE RESPONSE TO THE NEW ‘DEAL’: MODERATING ROLE OF SOCIAL COMPARISON AND SOCIAL EXCHANGE

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ABSTRACT

The exchange relationship between an employee and the employer is said be affected by the extensive workplace transitions. However, what factors play a role in shaping employee assessment of the relationship and the response is unclear. Drawing upon relative deprivation theory, the authors examined two psychological criteria: social comparison and entitlement based on the nature of the exchange relationship with the employer. Analysis of employee rating of three types of psychological contracts (PC)- transactional, relational and balanced, before and after an organizational change event showed that unfavorable social comparison resulted in lowered employee performance for all three types of PCs. Analysis of employee assessment of the three types of PC fulfillment before and after the organizational change event suggest that to the extent an employee shares a social exchange-based relationship, results in lowered performance. These results held for relational and balanced type of PC fulfillment only.  

Keywords: Organizational change, psychological contract, psychological contract fulfillment, social comparison, social exchange, and employee performance

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Contemporary employment relationships are characterized by change and complexity as a result of a workplace context that is dynamic and uncertain (Rodell & Colquitt, 2009). The evolving nature of the relationship leads to increased reliance on subjective and often, idiosyncratic sensemaking by employees regarding what constitutes as appropriate ‘give and take’ in the exchange relationship with the employer. Psychological contract (PC) construct captures this subjective aspect of the exchange relationships such that perception trumps reality in shaping employee beliefs regarding the terms of exchange between the employee and the organization (McLean Parks, Kidder, & Gallagher, 1998; Rousseau, 2001). Research shows that employee evaluation of psychological contract is not an objective computation of how much individuals have received versus how much they were promised but, rather, a complex web of personal and social construction of reality (Ho, 2005; Morrison & Robinson, 1997; Rousseau, 1995). How employees attempt to understand the changing nature of the PC is important because this process will determine how they respond to the ‘new deal’ (Chaudhry, Wayne, Schalk, 2009; McLean Parks & Kidder, 1994).

Barring few exceptions (e.g., Kickul, Lester, & Finkl, 2002; Turnley & Feldman, 1998), employee assessment of the employment relationships in the context of organizational change have mostly been theorized but seldom investigated empirically. Therefore, the factors that shape employee responses are not well understood or articulated beyond the contention that these factors are subjective in nature. Given that workplace context marked by change and complexity has become an integral component of employees’ working lives (Rodell & Colquitt, 2009; Shore et al., 2004), and that research has illustrated the impact of organizational change on several key employee attitudes and behaviors, salient to organizational functioning and effectiveness (Kickul et al., 2002; Turnley & Feldman, 1998; Wanberg & Banas, 2000), it is important to shed light on the mechanism that shapes employees’ responses to the employment relationships in the context of workplace transitions. Our purpose in this study is to address this gap in PC research by investigating factors that influence employee response to the revisions in the exchange relationship with the employer in the backdrop of organizational change.

An organizational change context is typically associated with uncertainty (Rodell & Colquitt, 2009; Weick, 1995). Employees perceive that organizations cannot be trusted in sharing information in such contexts and therefore, engage in close monitoring of their employment relationship to identify how the change event affects the employees (Ashford, 1988; Morrison & Robinson, 1991; Schweiger & DeNisi, 1991). This process of assessing what is provided by the organization compared to what used to be provided before the change event, in effect, highlights the discrepancy between the way things are and the way things ought to be, engendering perceptions of deprivation (Gurr, 1970). Relative deprivation theory offers a useful framework for examining the psychological criteria that shape cognitions of discontent or belief that one is getting less than one deserves (Martin, 1981). It focuses on felt discrepancy based on several factors such as social comparison, wanting (extent to which there is discrepancy between what is desired and what is received), and entitlement (extent to which an employee expects more than the outcomes received), to name a few (Crosby, 1976; Sweeney, McFarlin, & Inderrieden, 1990). Among the various criteria delineated, two are critical in the context of organizational change: felt discrepancy based on social comparison, that is, extent to which one perceives discrepancy between referent other’s outcomes and one’s own outcomes, and discrepancy based on a sense of
entitlement, that is, extent to which an employee expects more than the outcomes received (Crosby, 1984).

Emerging research in the PC literature underscores the importance of social comparison in shaping employee attitudes and behaviors (Ang, Van Dyne, & Begley, 2003; Ho, 2005). As Ho (2005) notes, even after an employee has made an assessment of the extent to which organization is fulfilling its part of the bargain, employee seeks additional information. According to Festinger (1957), there exists a drive to evaluate one’s situation and in the absence of objective basis of evaluation, this tendency is accentuated. Change events are often characterized by ambiguity, and therefore, in the absence of objective information, social basis of evaluation is a salient tool for understanding the dynamic nature of the employment relationship in such contexts. Our study makes a contribution to PC research by investigating how social comparison shapes employee responses to employment relationships in the midst of organizational change.

Another criteria related to relative deprivation identified by Crosby (1976) is the sense of entitlement, or the extent to which an individual expects more than the outcomes received. Social exchange theorists have highlighted how social exchanges create strong expectations of another in the work context and the belief that these expectations will be met. Thus, these social exchange-based relationships, in effect, create a sense of entitlement. While research evidence suggests favorable outcomes associated with social exchange-based relationships, (Shore, Coyle-Shapiro, Chen, and Tetrick (2009) due to interpersonal support and attachment embedded in these relationships (Shore et al., 2004), a counter-argument suggests that employees in social exchange-based relationship may feel a sense of betrayal, when faced with the possibility that organizational change context has wrought changes in the exchange relationship (Bal, Chiaburu, & Jansen, in press; Rousseau, 1995). In light of these competing perspectives, our investigation of the role of social exchange relationship as an entitlement criteria takes on added significance as it is of theoretical as well as practical interest to understand whether social exchange-based relationship buffer or intensify employee responses to alterations in the psychological contract.

To provide depth to our investigation, we examine employee-organization exchange relationship in terms of two distinct yet related constructs: psychological contract (PC), that is, employee beliefs regarding the terms and conditions of the exchange agreement with the organization, and PC fulfillment, that is, employee perceptions of the extent to which the organization provides its part of the agreement as part of the exchange relationship. Thus our final contribution relates to providing insight into what is more critical in shaping employee responses in the backdrop of organizational change- employee beliefs regarding what the organization owes the employee (PC) or employee beliefs regarding what the organization provides to the employee (PC fulfillment).
THEORETICAL DEVELOPMENT AND HYPOTHESES

A conceptual framework developed by Rousseau (1995, 2000) provides a classification of various types of employment relationship: transactional, relational, and balanced contracts. Transactional contracts are characterized by short-term arrangements that primarily focus on monetary or economic exchanges. In contrast, relational contracts are characterized by long-term arrangements that are based on mutual trust and loyalty. Balanced contracts, on the other hand, combine features of both transactional and relational contracts such that the terms of exchange consist of performance by the employee that is well-specified yet open-ended to enable the organization to achieve competitive advantage. Researchers have utilized this framework in a variety of contexts (Hui, et al., 2004; Rousseau, 2000) and found it to be a robust conceptualization of different forms of psychological contracts. However, no research to date has investigated whether this conceptualization is applicable in studying different forms of psychological contract fulfillment.

We believe that the three forms of contracts articulated by Rousseau are meaningful to our understanding of exchange relationships in the midst of organizational change. Most research ignores the context in which the PC is embedded or treats it as a peripheral aspect (Shore et al., 2004) and thus, the effects of workplace transitions on the different types of employment relationship is not known. Our study addresses this gap in research by examining the generalizability of the framework in context of dynamic environment. Additionally, it sheds light on the question of what type of relationship is most affected by the change event, one with highly specific benefits and contributions that are short terms and monetary in nature as in the case of transactional contracts or one with long-term arrangements that are open-ended and socio-economic nature as in the case of relational contracts (Hui et al., 2004).

We focus on employee response to the revised PC post organizational change in terms of employee in-role performance defined as behaviors that are prescribed and defined as being part of one's job, and are recognized by the organization's formal reward systems (Katz & Kahn, 1978). As compared to other employee responses such as work related attitudes, these behaviors are more proximal and have a more tangible impact on the workplace (Zhao at al., 2007). Incorporating performance in the hypothesized model provides an assessment of the influence of social comparison and the nature of the exchange relationships on employee behaviors that are critical for organizational effectiveness. According to Rousseau, change is mostly viewed as a loss and a move away from the desired state (1995). This is because the terms of exchange that are deemed desirable are held salient and therefore incorporated in one’s schema of the employment relationship. Hence, we contend that employee’s sense of deprivation will have an adverse effect of employee’s in-role performance.

For our first set of hypotheses examines relative deprivation related to social comparison. According to Festinger (1957), there exists a drive to evaluate one’s situation and in the absence of objective basis of evaluation, this tendency is accentuated. Unfavorable comparison to a referent results in negative responses. For the second set of hypotheses, we argue that employees’ social exchange relationship with their employer engenders a sense of relative deprivation related to social comparison. According to Festinger (1957), there exists a drive to evaluate one’s situation and in the absence of objective basis of evaluation, this tendency is accentuated. Unfavorable comparison to a referent results in negative responses. For the second set of hypotheses, we argue that employees’ social exchange relationship with their employer engenders a sense of

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3 Rousseau (2000) describes a fourth type of contract as transitional psychological contract. However, as noted by Rousseau (2000) and Hui et al., (2004), transitional psychological contract cannot be viewed as a psychological contract form as it reflects a breakdown or absence of an exchange agreement between two parties.
entitlement resulting in employee’s expectations regarding reciprocal exchanges between themselves and their organization to be continuous and steady irrespective of the context. However, previous “entitled” social exchange relationship can possibly be unrealistic during the organizational change process, resulting in disappointment and therefore, negative reaction to the new contract terms as well as to the revisions in what the organization can provide.

**Role of social comparison**

According to Wood (1996), social comparison is the process of thinking about information about one or more people in relation to the self, where the thinking aspect refers to the process of social construction, of how individuals are influenced by the “actual, imagined, or implied presence of others” (Allport, 1967:3). In the present context, this suggests that, first, a social comparison referent may or may not be an individual within an organization affected by the organizational change and second, the information used for social comparison may be abstract in nature rather than any specific data that can be used for objective comparison.

A model proposed by Martin (1981) states that rewards distributed in a certain pattern causes individuals to engage in a process of comparison to ascertain the extent to which reward distribution is favorable to self. If the comparison process results in perceptions of deprivation then it results in behavioral reaction aimed to reduce the sense of deprivation. Theoretically, unfavorable social comparison can be said to lead to positive as well as negative responses. For instance, an employee who perceives that the referent other is receiving more than the employee, may decide to engage in positive reaction of enhancing performance or seeking training to improve performance (Martin, 1981). However, in the context of organizational change, we believe that an employee will react negatively to the extent the employee believes that a referent’s psychological contract is superior to one’s own psychological contract. Experimental research in social cognitive psychology has shown that people make sense of events with themselves as the central focus (Markus, 1977). Thus, employees will seek to address the question ‘how does it affect me?’ A context of change highlights terms of exchange that deviate from what are deemed as valued terms of exchange and thus, results in a person categorizing oneself as belonging to the ‘have-not’ group. This state of felt discrepancy would be redressed by reducing one’s own contribution such as lowering one’s in-role performance.

Gurr (1970) notes that when individuals expect to attain valued outcomes, inability to receive these outcomes results in a sense of injustice that heightens the sense of deprivation. Research on equity theory has shown what is perceived as just is a function not only of one’s inducements and contributions but also of referent other’s ratio of inducements and contributions (Adams, 1965). Furthermore, some have argued that individuals depart from principles of fairness in order to obtain as favorable an outcome as possible (Berkowitz, Fraser, Treasure, & Cochran, 1987). For instance, Messe and Watts (1983) found that undergraduate students’ sense of inequity related to being paid less than why they believed they deserved, exacerbated when referent others were paid more. Therefore, we propose that employee will respond with lowered performance when the PC as well as PC fulfillment are deemed unfavorable when compared to that of a referent other.

**H1a. In the context of an organizational change event, social comparison moderates the relationship between PC at Time 2 and employee performance at Time 3 such that the**
extent to which employee perceives unfavorable social comparison leads to lowered performance.

H1b. In the context of organizational change event, social comparison moderates the relationship between PC fulfillment at Time 2 and employee performance at Time 3 such that the extent to which employee perceives unfavorable social comparison leads to lowered performance.

Role of social exchange

Social exchange entails unspecified obligation: where individual does another a favor, and there is an expectation of a future return (Blau, 1964). The key is reciprocity and the belief that a promise has been made and a consideration offered in exchange for it (Rousseau, 1995). For the employees in a social exchange relationship, such reciprocity between themselves and their organization is considered to be continuous and steady, and it underscores the strength of the socio-emotional aspects implicit in the employee and the organization relationship (Shore et al., 2004, 2006). However, this very strength can become a source of inertia and an obstacle for organizational change. Organizational change calls for understanding of new contract terms, and that requires employees to act like newcomers, regardless of how long they have been with the organization (Rousseau, 1996). A new mindset needs to be set up in accordance with the psychological contract change.

According to Morrison and Robinson (1997), employee-employer relationships are associated with different levels of vigilance of employees. Relationships based on economic exchanges are characterized by quid-pro-quo, short-term exchanges that are mostly discrete and pecuniary in nature (Shore, Tetrick, Lynch, & Barksdale, 2006) that require parties to monitor changes if any to the currencies of exchange- what is provided and what is received in return. Social exchange relationships, on the other hand, are defined by trust and relational currencies of exchange which are “non-instrumental” in nature, and therefore, associated with low level of vigilance. A change in context serves as an alarm-bell to employees in a social exchange and triggers a process of paying close attention to all the aspects of the exchange relationship that so far had been neglected or taken-for-granted. In addition, employees in a social exchange relationship may expect that they continue to receive the returns they were provided prior to the change; however, such expectations could possibly be unrealistic. Their sense of entitlement as well as complacency that accompanies low vigilance leads to a stronger negative reaction when faced with evaluation of one’s PC as well as PC fulfillment and is reflected in lowered performance. On the other hand, a high level of vigilance developed under low social exchange relationship, is more appropriate for dealing with continuous organizational change and keeping sustainable performance. A relatively low level of social exchange relationship reflects a more realistic evaluation of an employee’s relationship with his/her employer, and would be less detrimental in shaping employee assessment of changes to PC and PC fulfillment, and therefore, employee responses.

H2a. In the context of organizational change event, social exchange moderates the relationship between PC at Time 2 and employee performance at Time 3 such that the extent to which employee share a social exchange based relationship with the organization leads to lowered performance.
H2b. In the context of organizational change event, social exchange moderates the relationship between PC fulfillment at Time 2 and employee performance at Time 3 such that the extent to which employee share a social exchange based relationship leads to lowered performance.

METHODS

Participants and Procedure

Participants in this study were employed in an organization located in the Midwest region of the US that was undergoing organization-wide change brought about by changes in the funding sources. The organization relies on grants and funding from public and private sources to serve the needs of an underprivileged population in terms of activities such as after-school care. Some traditional sources of funding (e.g., capital grants from the state government) were no longer available, while several other avenues of grants were being secured, necessitating organization-wide changes in terms of staffing, population served, and changes in locations. Two sets of surveys were administered at three different time points at the participating organization. Time 1 surveys were part of a larger project on psychological contract and were administered to the employees a year before the organizational changes were implemented. Time 2 employee surveys were collected two months after the changes were announced and implemented. Managers’ survey, designed to assess ratings of employee performance were collected at Time 3, two months after the Time 2 employee survey administration. Time 1 employee survey consisted of employee assessment of PC, PC fulfillment, and a measure of social exchange, while Time 2 employee survey sought employee ratings of PC, PC fulfillment, and a measure of social comparison.

The Time 1 survey was completed by 180 employees of the organization that employed approximately 300 employees (60% response rate). Six respondents did not provide any identifying information and, therefore, were excluded from the sample. At Time 2, 231 employees filled out surveys (77% response rate). 101 employees had filled out surveys at both Time 1 and Time 2 and had manager rating of their performance. The mean age of the sample employees was 34. Average organizational tenure and average position tenure for Time 2 sample was 6.2 years and 4.2 years respectively. T-tests were performed to assess differences in responses of employees who responded at both times and employees who responded at Time 1 only. Respondents from Time 1 included in the analysis (N=100) and respondents from Time 1 not included in the analysis (N=74) did not differ significantly by age, gender, and work experience.

Among the 29 managers who provided information on employee performance, 7 of them gave ratings for one subordinate while the remaining provided ratings of 2 or more subordinates. Because supervisor rated multiple subordinates, we examined independence of supervisor ratings of each rated employee performance. The ratio of between-group to total variance yielded ICC (1) = .08, indicating 8% of total variance in employee performance was due to group membership. These ICC(1) values are below the cut-off criteria of 10% that call for modeling rater or group membership effects (Bliese, 2000).
Measures

To understand the dynamics of PC in the context of organizational change, it is important to examine whether different forms of PC have a differential impact on employee responses. Therefore, we decided to operationalize PC as well as PC fulfillment using Rousseau’s (2000) measure, Psychological Contract Inventory (PCI). Items from the PCI are theoretically derived and have demonstrated acceptable psychometric properties including meeting established criteria for internal consistency, convergent validity, and discriminant validity (Hui, Lee, & Rousseau, 2004). Exploratory and confirmatory factor analyses suggest that the items represent three different types of psychological contract: transactional, relational, and balanced\(^4\) contracts. Transactional PC is characterized by well-specified benefits and contributions that are economic and short-term in nature. In contrast, relational contracts are characterized by long-term arrangements that are founded on mutual trust and loyalty. Balanced contracts combine features of both transactional and relational contracts such that the terms of exchange consist of in-role behavior by the employee that is well-specified yet open-ended to enable the organization to achieve competitive advantage (Hui et al., 2004).

Unless otherwise noted, we used a five-point Likert scale that ranged from 1, anchoring “strongly disagree,” to 5, anchoring “strongly agree” for all the measures.

**PC.** All items used a 5-point Likert-type scale response format ranging from 1 (*not at all*) to 5 (*to a great extent*). For each type of PC, identical items were included in both Time 1 and Time 2 surveys. T-tests show that respondents at Time 2 did not significantly differ from non-respondents at Time 2 in terms of transactional PC ($t = 1.749$, $df = 191$, $p = .95$), relational PC ($t = 1.430$, $df = 189$, $p = .08$), and balanced PC ($t = 1.430$, $df = 189$, $p = .15$).

**PC fulfillment.** The instructions for this measure asked the respondents at Time 1 as well as Time 2 to indicate ‘the extent to which the employer provides the following benefits to the employee’. Responses were measured on a 5 point scale ranging from 1 (*not fulfilled at all*) to 5 (*fulfilled to a great extent*). For each type of PC fulfillment, two composites were made using identical PCI items from Time 1 and Time 2 surveys (Hui et al., 2004). Employee assessment of transactional PC fulfillment ($t=1.562$, $p<.12$), relational PC fulfillment ($t=.749$, $p<.45$), and balanced PC fulfillment ($t=1.476$, $p<.14$) did not differ significantly between respondents at Time 2 and non-respondents at Time 2.

**Social exchange.** We utilized an eight-item measure developed by Shore, Tetrick, Lynch, & Barksdale (2006) to assess employee ratings of the extent to which employment relationship is viewed as a social exchange.

**Social comparison.** We modified Blau’s (1994) scale for assessing pay level comparison with a referent other to capture employee ratings of comparison of one’s employment relationship with that of a referent other. One of the three items used ‘I receive more from ‘Organization’ than others doing the same type of work that I do’ (Reverse-scored) led to poor reliability score for the measure and therefore, was dropped. A composite was created using the remaining two items: ‘I

\(^4\) Rousseau (2000) describes a fourth type of contract as transitional psychological contract. However, as noted by Rousseau (2000) and Hui et al., (2004), transitional psychological contract cannot be viewed as a psychological contract form as it reflects a breakdown or absence of an exchange agreement between two parties.
think co-workers at my grade level are receiving more from ‘Organization’ than I am’, and ‘Compared to employees in other organizations, I receive far less from ‘Organization’. 

Performance. Seven items originally developed by Williams and Anderson (1991) were utilized to assess the manager’s evaluations of employee performance. A sample item is ‘Performs tasks that are expected of him or her’. 

Control variables. Research has found a significant positive relationship between relational psychological contracts and employee tenure as well as work status of employee (Coyle-Shapiro & Kessler, 2002). Therefore, employee tenure indicated in terms of number of years the employee has worked in the organization, employee work status coded as full-time work status as ‘1’ and part-time work status as ‘2’ were included as control variables. Additionally, exchange ideology reflects an individual’s sensitivity to the rules of exchange, specifically, reciprocity (Eisenberger, Huntington, Hutchison, & Sowa, 1986). Thus, an employee with strong exchange ideology will be predisposed to increase his/her effort in response to receiving more than the previous levels of inducements. In order to eliminate this alternative explanation, we decided to partial out effects of employee exchange ideology from the hypothesized relationships. A four-item measure (Eisenberger et al., 1986) assessed at Time 1 was included as a control variable. A sample item is “If someone does something for me, I feel required to do something for them”.

Discriminant Validity Evidence

In order to establish discriminant validity of the measure of social exchange from that of PCI items used to assess PC and PC fulfillment, we conducted two Exploratory Factor Analyses (EFA). We subjected the items for social exchange, transactional PC, Relational PC and balanced PC to a principal axis factoring analysis (varimax rotation). The results revealed four factors with eigenvalues greater than 1.0. Next, we conducted EFA using the items for social exchange, transactional PC fulfillment, relational PC fulfillment and balanced PC fulfillment. Again, all the items had eigenvalues greater than 1 and loaded on the intended factors.

RESULTS

Table 1 presents the means, standard deviations, and correlations among all the variables in the study. The Cronbach alpha coefficients, listed along the diagonal in the table, show acceptable levels (.70 and above) for all the composites except relational PC fulfillment at Time 1 (.67) (Nunally, 1978). However, it was decided to retain this measure as it can be said to have test-retest reliability since the Time 2 measure uses identical items as Time 1 measure that has Cronbach’s alpha reliability of .73.

The mean values for the three types of PC and the three types of PC fulfillment did not seem to be highly divergent. Therefore, we conducted exploratory tests to ascertain the extent to which PC and PC fulfillment variables at Time 2 differed from those at Time 1. Paired *t*-tests results reported in Table 2, show that transactional PC at Time 2 was significantly different than Time 1 (M = 0.42, SD= 1.25, *t*=-3.30, *p*<.01), while there were no significant differences for relational PC and balanced PC from Time 1 to Time 2. On the other hand, for the PC fulfillment variables, only relational PC fulfillment underwent significant change from Time 1 to Time 2 (M = 0.26, SD=.97, *t*=-2.66, *p*<.001). Thus, it can be inferred that, due to the restructuring of funding resources and organizational practices, the company specified more job-specific and
short-term obligations such as ‘pay based on specific duties’ in Time 2 (transactional PC), while provided more stable benefits to employees’ families (relational PC fulfillment). The test of our hypothesized model, therefore, would investigate whether factors related to relative deprivation are relevant when PC and PC fulfillment are either unaffected by organizational change context or revised in upward direction in the backdrop of organizational change context.

Hierarchical regression analysis was used for hypothesis testing. In all the analyses, the control variables (and PC/PC fulfillment) ratings at Time 1 were entered in the first step, hypothesized independent variables were entered in step two, and the interaction term was entered in step three. Statistically significant interaction term and $\Delta \chi^2$ at step three was indicative of support for all the hypotheses (Cohen, Cohen, West, & Aiken, 2003). We used two-tailed tests to interpret statistical significance. We examined the interaction effects of social comparison (Hypothesis 1) and social exchange relationship (Hypothesis 2) on the relationships between PC and PC fulfillment and performance for each type of contract—transactional, relational, and balanced. Results presented in Table 2, show that the interaction term for transactional PC at Time 2 and social comparison was negative and statistically significant and explained seven percent of the variance ($B = -.20, p < .05$). Similarly, the interaction effect of social comparison and relational PC on employee performance was negative and statistically significant, explaining 17% of the variance ($B = -.27, p < .01$). Finally, results indicate that social comparison moderated the relationship between balanced PC at Time 2 and performance ($B = -.20, p < .05$), explaining 7% of the variance.

The nature of the interaction was investigated by plotting the relationship between each type of PC and employee performance at high and low levels of social comparison, defined as one standard deviation above and below the mean (Aiken & West, 1991). Support for the hypothesized interaction effect is evidenced in the steeper slope and significance of high unfavorable social comparison line in relation to low unfavorable social comparison line as illustrated for transactional PC in Figure 1, relational PC in Figure 2, and balanced PC in Figure 3, confirming support for Hypothesis 1a. Post-hoc analyses of the simple slopes demonstrated that high social comparison line was significant for transactional PC ($t = -2.06, p < .05$), for relational PC ($t = -2.18, p < .05$), and balanced PC ($t = -2.17, p < .05$). Thus, Hypothesis 1a is supported. Low social comparison line was significant only for balanced PC ($t = -2.08, p < .05$). There were no significant interaction effects of social comparison on any of the three types of PC fulfillment and employee performance (transactional PC fulfillment: $B = -.12, p < .1$; relational PC fulfillment: $B = -.02, ns$; balanced PC fulfillment: $B = .02, ns$), thus, failing to provide support for Hypothesis 1b.

Our second set of hypotheses examined the role of social exchange on the relationship between (a) transactional, relational, and balanced forms of PC and employee performance and (b) transactional, relational, balanced forms of PC fulfillment and employee performance. Results for the three types of PC s were non-significant (transactional PC: $B = -.01, ns$; relational PC: $B = -.03, ns$; balanced PC: $B = -.04, ns$), thus, Hypothesis 2a was not supported. Next sets of regressions for testing hypothesis 2b, reported in Table 3, revealed that while the interaction term for transactional PC fulfillment at Time 2 and social exchange was not significant ($B = .03, ns$), results for relational PC fulfillment show that social exchange moderated the relationship with employee performance ($B = -.34, p < .01$), explaining 13% of the variance. Similarly, the interaction effect of social exchange and balanced PC fulfillment on employee performance was
negative and statistically significant, explaining 14% of the variance \((B = -0.39, p < .01)\). Interestingly social exchange at Time 2 was not a significant predictor of employee performance.

Figures 4 and 5 show similar patterns for the two interactions as hypothesized in our study—employees who rated their relationship as high levels of social exchange, lowered their performance in response to revised relational PC fulfillment as well as revised balanced PC fulfillment as compared to those with low ratings of social exchange. Results from slope significance tests show that both high social exchange line \((t = -2.41, p < .05)\) and low social exchange line \((t = -2.08, p < .05)\) are significant for relational PC fulfillment. Similar significant results for high social exchange line \((t = -3.53, p < .001)\) and low social exchange line \((t = -3.48, p < .001)\) for balanced PC fulfillment establish partial support for Hypothesis 2b.

**DISCUSSION**

In this study, we set out to investigate how the context in which the employment relationship is embedded affects employee sensemaking regarding the exchange relationship. Drawing on relative deprivation theory, we identified two factors that would be salient during an organizational change event: social comparison and social exchange nature of employment relationship. A test of the hypothesized model using a longitudinal design and multi-source data lends confidence in the interpretation of the findings.

**Theoretical implications**

We set out to explore the role of organizational change context in shaping employee assessment of the employment relationship and the subsequent response. Interestingly, the change context examined in the current study led to a positive change in employees’ transactional PC and employees’ relational PC fulfillment. The other PC types, relational and balanced and PC fulfillment types, transactional and balanced were unaffected as seen from non-significant changes in the means from Time 1 and Time 2. These results are contrary to the extant theorizing that suggests that workplace transitions are responsible for revisions and even breakdowns of the PC (Ghoshal & Bartlett, 2000). However, research related to other change contexts such as outsourcing (Kessler et al., 1999) lend support to the notion that change context may impact a positive impact or as in the case of downsizing research (Beaumont & Harris, 2002), no impact on exchange relationship between the employee and the employer. Thus a question of import here is whether employee experiences relative deprivation in a context where the relationship is unaffected or affected positively. Our research findings, for the most part, provide support for the premise that deprivation is a critical factor shaping employee responses even when the exchange relationship is not adversely affected.

Our research findings highlight the negative moderating effects of social comparison. As hypothesized, employees making unfavorable social comparison respond with decreased performance. These results were replicated for transactional, relational, as well as balanced PC. These findings are consistent with prior theoretical as well as empirical work that investigate justice perceptions (Kickul et al., 2002) and perceived size of loss, that is, judgments regarding discrepancy between what is expected and what is actually provided (Rousseau, 1995) as determinant of employee responses to perceptions of changes in the PC. Our findings add to this body of research by highlighting the inequity (Adams, 1965) associated with the ratio of inducements versus contributions and that the perceptions of loss are tied to a referent other’s
ratio. It points to fruitful directions for future research to address questions, such as: does procedural justice climate buffer the adverse impact of inequity in the context of organizational change?

Results for the next set of hypotheses show that in terms of quality of employees’ exchange relationship with their employer, employees who have formed a kind of relational or balanced “entitlement” significantly reduced their performance contributions in response to psychological contract fulfillment. Relational PC fulfillment on the employer side might become a remedy to the fact of organizational change and transactional PC increasing. Employees could sense that overall, the exchange relationship with the organization is not fully based on trust and mutual reciprocity. They cannot ensure that their nowadays’ input can be rewarded by the organization in the long run. The most essential part of delayed gratification and mutual reciprocity in a long-term promissory contract (Rousseau, 1995) is missing. Signals from the employer show that the company begins to focus on short term job requirement. On the other hand, although the welfare has been increased at Time 2, employees would feel that these are the things they deserve (or should be deemed earlier). The non-significant moderating result of social exchange on transactional psychological contract fulfillment and performance linkage indicated that employees focus less on transactional “entitlement” but more on relational or balanced entitlement. This result is in line with Rousseau’s (1995) argument that employees with a relational basis of the employment relationship have a stronger negative reaction as perhaps they feel betrayed or that the change erodes trust in the organization in the context of change.

The view that PC serves as an employee’s schema of the exchange relationship and that, once formed, is said to be resistant to change is reiterated by our research. It raises the issue of how to unfreeze this schema so that employee can incorporate new information regarding what are realistic expectations regarding the employment relationship, especially in the context of workplace transitions. According to Rousseau, employees are open to new information only at certain times (1996). Of relevance is the phenomenon termed as “discontinuous information processing”- information about an event is not processed in detail unless the event is viewed as a shift from the norm (Rousseau, 1996). Thus, a shift from the norm increases the likelihood that the extant psychological contract schema will be invalidated. Future research is needed to examine conditions that would foster unfreezing of the PC schema so that employee expectations can be in line with the new workplace reality.

The differential results for social comparison and social exchange relationship on the two constructs of employment relationships examined here: PC and PC fulfillment, are somewhat counter-intuitive and call for additional research to explain these findings. Our results show that unfavorable social comparison does not affect employee performance in response to revisions to any of the three types of PC fulfillment while the interaction effect of social exchange relationship on employee performance held for revisions to PC fulfillment and not PC. While the differential outcomes for revisions to PC and revisions to PC fulfillment spells good news in establishing distinctness of the two constructs, research is needed to investigate why social comparison impacts employee responses to the new PC while social exchange relationships shape employee responses to revised relational and balanced PC fulfillment alone. Extant research has indicated that what is delivered has a stronger impact on employee’s evaluation of PC than what is promised (Coyle-Shapiro & Conway, 2005). One can speculate that the non-significant findings for social comparison can be attributed to lack of knowledge about what a referent other receives. In other words, when an organization undergoes significant changes, employees are able
to draw conclusions about what an organization has promised to a comparison other but unable to assess what an organization is actually providing to the referent.

To analyze employees’ sense-making process during organizational change systematically, the integration of relative deprivation perspective, equity theory, expectancy theory and social exchange theory could be a fruitful journey. All these theories enable us to take multiple agents into consideration. Furthermore, social exchange theory emphasizes the reciprocity and obligations of exchange parties, while such obligations could possibly become burdens or vague “entitlements” facing organizational change. Relationship between employees and employer could possibly change over time, and under different circumstances. Our results showed that social exchange could become a double-edged sword for long-term sustained trust, while might become fragile in context of volatile changes and destroy the trust in the short-term.

**Practical implications**

As organizations scramble to meet the challenges of economic reality, as well as grab opportunities inherent in globalization and a dynamic work environment, it is of critical importance to shed light on how organizational change is understood by the employees, source of sustained competitive advantage for the organization. Our research provides few guidelines that can help organizations anticipate and therefore, better manage employee responses to change programs.

Our research shows that an integral part of employee sensemaking during organizational change is calibrating what the organization has promised and what it is providing in terms of what others have been promised and what they are being provided. The process of social comparison can lead to faulty assessments when there is ambiguity and absence of objective information. Thus, a suggestion that follows from our research is to practice complete transparency by providing timely and detailed information related to the change event so that employees have all the requisite knowledge that helps them make informed assessment regarding the new exchange relationship. Faced with organizational change, the employer can refresh an organization’s culture and promote the shared values. As a not-for-profit organization, maybe the inclusion of ideology currency (Thompson & Bunderson, 2003) could motivate employees from within, and increase their patience and delayed gratification towards monetary rewards (Blau, 1964; Thompson & Bunderson, 2003). Organizational change also necessitates a continuous socialization process by the human resource managers as well as the line managers so as to provide a realistic portrayal of what can be expected as part of the exchange relationship. Even senior employees have to face up to the reality of revisions of psychological contract that most likely differ from the extant contract. Just as Rousseau noted (1996, p.56), “Understanding new contract terms requires employees to act like newcomers, regardless of how long they have been with the organization”. To manage entitlements, exemplified by expectations such as the ‘sticky wage’ phenomenon, managers should strive to keep everyone on the same page, the same "new" page with updated psychological contract. This calls for promoting open dialogue regarding the unwritten and mostly implicit terms of exchange and how these are being revised, thus, enabling the organization to change the ‘deal’ yet keep the people (Rousseau, 1996).
Strengths and Limitations

Overall, our study has several strengths that lend confidence to the tests of the hypothesized relationships- longitudinal survey design using matched sample of employee and manager data, incorporating organizational change context by assessing employee perceptions well before the change event (one year) and a month after the change event, and, incorporating theoretically identified control variables to help eliminate alternative explanations of the results.

However, certain limitations of the study need to be considered that suggest caution in interpreting the results as well as help identify future research directions. Our study design only included performance as the dependent variable. In future studies, more attitudinal and behavioral job outcomes could be included as dependent variables. For example, under dissatisfactory circumstances, will employees’ EVLN (exit, voice, loyalty, and neglect) change in response to change of psychological contract and contract fulfillment (Chaudhry et al., 2009; Rousseau, 1995; Zhao et al., 2007).

Data for the current study was collected from employees of a not-for-profit organization. While researchers have mostly focused on for-profit organizations, psychological contract theory and some empirical research suggests that the contract framework is likely to be robust in a variety of work arrangements including contingent workers (McLean Parks et al., 1998). This premise was tested by comparing the factor structure derived from the current study data with that of other studies that collected data from for-profit organizations (e.g., Hui et al., 2004). While exploratory analyses show that the factor structure for the study data matches that of the other studies, suggesting that employment relationship in for-profit and not-for-profit setting is similar in nature, additional tests are needed to confirm for generalizability of this assertion. However, additional research is warranted that examines psychological contract of workers in not-for-profit organizations.

While we theorize that organizational change can be evaluated positively as well as negatively by the employee, our choice of variables draw from relative deprivation highlighting the negative discrepancy associated with organizational change scenarios. It is prudent to examine other theoretical frameworks that may serve as the bases of employee assessment of employment relationship in the changing times. Additionally, in the future, cross-level analyses would be beneficial for understanding the multiple agents’ role in sense-making process of psychological contract change. CEO and top management team’s leadership style, their revised human resource practices, and communication approach might need to be adjusted to anticipate the cognitive responses of employees.

CONCLUSIONS

The notion that change is an integral part of organizational life is a truism in today’s workplace. How change is interpreted by employees is of significant import as it will determine whether the change will promote or hamper successful outcome associated with the change. The assumption that employees engage in a rational behavior when evaluating employment contract has given way to contemporary thinking that suggests that employee calibrate responses to alterations in the employment relationship based on social relations and social construction. Our study affirms that to the extent an employee experiences relative deprivation associated with
organizational change is likely to have a detrimental effect on employee’s assessment of the employment relationship and is reflected in reduced employee contribution.

REFERENCES


TABLE 1
Descriptive Statistics, Zero-order Correlations, and Reliabilities for Study Variables

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<th>Variable</th>
<th>M</th>
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<td>2. Organizational Tenure (years)</td>
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<td>3. Exchange Ideology (T1)</td>
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<td>4. Transactional PC (T1)</td>
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<td>6. Balanced PC (T1)</td>
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<td>2.69</td>
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<td>.34**</td>
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Note: * p < .05, ** p < .01.
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<td>( \Delta R^2 ) for step</td>
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<td>.17*</td>
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<td>.19**</td>
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<td>2.55*</td>
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<td>0.12</td>
<td>0.11</td>
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Note: * \( p < .05 \), ** \( p < .01 \).
**TABLE 4**  
**Moderated Regression Results Predicting Interaction Effects of Relational/Balanced PC Fulfillment X Social Exchange on Employee Performance**

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<td></td>
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<td>Relational PC fulfillment (T2) * Social exchange (T1)</td>
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<td>Balanced PC fulfillment (T2) * Social exchange (T1)</td>
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*Note:  + p<.1,  * p<.05,  ** p < .01.*
Figure 1 Interaction Effects of Transactional PC X Social Comparison

Figure 2 Interaction Effects of Relational PC X Social Comparison

Figure 3 Interaction Effects of Balanced PC X Social Comparison
Figure 4 Interaction Effects of Relational PC Fulfillment X Social Exchange

Figure 5 Interaction Effects of Balanced PC Fulfillment X Social Exchange
ORGANIZATIONAL CITIZENSHIP BEHAVIOR IN INTER-ORGANIZATIONAL PROJECTS – AN EMPIRICAL STUDY

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Key Words: organizational citizenship behaviour, work motivation, workplace commitment

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Introduction

Given the widely acclaimed relevance and omnipresence of projects, it is not surprising that there is a rise in interest from both managers and scholars (Midler 1995). In this connection it is worth mentioning that previous research predominantly builds upon the premise that projects dispose of constitutive features that differentiate them from more ‘conventional’ organisational settings. Apart from tasks, teams and transitions, Lundin & Söderholm (1995: 449) point out that the role of time is critical for our understanding of projects. This is reconfirmed by previous research that perceives projects as temporary systems or temporary organisations (Kenis et al. 2009), making the time aspect the only crucial and undisputed characteristic of projects.

However, while time is deemed to be a critical feature of projects, few studies take time seriously into account, venturing the effects of ‘temporariness’ (Bakker 2010). This is surprising insofar as – drawing upon Engwall’s (2003) observation that “no project is an island” – scarce attention has been paid to considering the nature of projects not only with their social but also their time-space embeddedness. Although some authors investigate project-based organisations that mainly consist of projects (Hobday 2000) or analyze the interplay of projects from a multi-project management perspective in the light of portfolio inspired approaches (Dammer & Gemuenden 2007), comparatively little is known about behavioural issues with regard to how projects – and their relationships – unfold over time (Saunders & Ahuja 2006). This is likely to be particularly relevant with regard to interorganisational settings where employees of various organisations work together on a common project.

In the intraorganisational setting a huge body of research addresses extra-role behaviours which go beyond formal requirements or agreements (e.g. job descriptions, working contracts, etc.) and that are important for the functioning of organisations. A major concept in this field of research is Organisational Citizenship Behavior (OCB; Organ 1988; Podsakoff et al. 2000). OCB is “individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization” (Organ 1988: 4). The aim of our study is to analyse if there are and if yes, which citizenship behaviours are prevalent within and across inter-organizational projects. In the light of this, this study’s guiding research question is as follows:

How do project-workers in interorganisational projects engage in citizenship behaviour? How does such behaviour refer to relationship-building along interorganisational projects and the networks they are embedded in?

To answer these questions, the present (qualitative) study offers a refined notion of how inter-organisational projects embedded in networks relate to each other from a behavioural stance. Drawing upon the concept of OCB (Organ 1988) and an explorative study of interorganisational projects in Germany, we introduce the notion of Project Citizenship Behaviour (PCB) and Network Citizenship Behaviour (NCB) to highlight the role of project-workers’ behaviour throughout the course of projects, venturing beyond the single project as unit of analysis and also including the network level of analysis. This behavioural perspective draws on findings from work and organisational psychology, which primarily focus on the individual or group levels of analysis (Schnake & Dumler 2003) but stays sensitive towards the broader social embeddedness of temporary systems by adopting ideas from organization theory and economic sociology (Sydow 2006; Manning 2010).

Herein, we contribute to the literature on projects as temporary systems as follows: first, we introduce the notion of PCB and NCB and present first conceptualizations. Second, we
accentuate behavioural issues involved in the course of interorganisational projects and networks. Third, based upon our empirical observations, we discuss how PCB and NCB within several projects may result over time in a different kind of citizenship behaviour, which does not directly refer to a single project as a single occurrence, but rather to the relationship with certain project and network partners (individuals of various organisations across projects).

In the next section we will introduce the theoretical foundations of OCB on the one hand and temporary systems, such as interorganisational projects, embedded in more permanent relationships on the other. Thereafter, we describe our research setting of interorganisational projects embedded in networks of relationships. Then we set out our research methodology and present the empirical results of the study. In what follows we show how our own findings refine the theoretical basis of OCB geared towards PCB / NCB and how PCB and NCB relate to each other before we conclude.

From Organisational to Project and Network Citizenship Behaviour

Individual behaviour in organisations that goes beyond the contractual arrangements between the employer and employee has been a major arena of research in the past. Different theoretical concepts such as psychological contracts (Rousseau & McLean Parks 1992), extra-role behaviour (Van Dyne et al. 1995) prosocial behaviour (Brief & Motowidlo 1986), commitment (Meyer & Allen 1990, 1991), identification (Ashforth & Mael 1989), organisational spontaneity (George & Jones 1997), contextual performance (Borman & Motowidlo 1993) and OCB (Bateman & Organ 1983; Smith et al. 1983) have been introduced to capture and explore this phenomenon.

OCB has been of particular interest to researchers and has influenced many of the other related concepts (Podsakoff et al. 2000: 514). The number of scholarly, peer-reviewed publications on OCB and related concepts has been constantly growing by approximately 20 per year since its conceptualization by Organ and colleagues in 1983, and totals 500 today. One reason for the strong interest in this particular concept is its obvious relevance for management, especially its potential effects on organisational functioning and a variety of performance measures (Podsakoff & MacKenzie 1997; Organ et al. 2006). Much of the OCB-related research is concerned with three major issues, which are (1) the nature of OCB, (2) its antecedences, (3) its consequences and implications for organisational performance and management (Podsakoff et al. 2000).

![Organisational Citizenship Behaviour (OCB) in a broader sense](image)

**Figure 1**: Overview of the OCB concept and its reception

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5 Own countings, see also Podsakoff et al. (2000): 514.
Even though the interest of scholars in OCB is unbroken, most of the research addresses the relationship of single individuals to an organisation as a whole or organisational subsystem and remains primarily at the individual level of measurement (Bommer et al. 2007). Almost the entire body of research is quantitative and has three major restrictions, which are caused by efforts to reduce complexity and make the concept feasible for this particular methodology.

First of all, the single-level analysis does not reflect the complexity of the social structure within organisations, let alone projects crossing organizational boundaries. For example, employees do not necessarily address their OCB to the organisation as a whole, but rather to their core-team, to a larger group or an organisational unit. Research therefore needs to consider multiple levels of analysis (Schnake & Dumler 2003). As shown in Figure 1, some studies have started to explore OCB on the group/team level (e.g. Erhart 2004; Pearce & Herbik 2004; Choi 2009) but multi-level research is still rare (Bommer et al. 2007).

Second, studies of OCB have been static and reflect one single point in time. However, we know that social processes develop in complex and erratic ways over time; they have a past and, possibly, a future (e.g. Eisenberg et al., 1989; Gersick, 1988). Therefore, in order to better understand how OCB unfolds over time, a dynamic perspective on OCB should be adopted. To the best of our knowledge, such a perspective has been quite rare in the past (e.g. Blakely et al. 2003; Vigoda-Gadot & Angert 2007 for two exceptions).

Third, major changes in the organisation of work have taken place since the original conceptualization of OCB in 1983. Standard employment with regular work-contracts has declined and “the personnel” of an organisation has decreased significantly (Reichel & Mayrhofer 2009). Instead, work has become rather fragmented across several, often more flexible and smaller organisations (Marchington et al. 2005). Project-based work, in consequence, takes place increasingly in interorganisational collaborations such as supplier-networks, strategic alliances or industry clusters. Interorganisational projects in turn have received particular scholarly interest in the last years because they have become very popular in practice and are widespread throughout different industries (Bakker 2010). Except one study, which, as a first step towards advancing this concept, analyses OCB in supply chains (Autry & Skinner 2008), the tendency towards interorganisational work is not acknowledged by OCB research. However, the changing organisation of work, in particular concerning the interorganisational level of analysis, should be considered in OCB-related research.

In order to overcome the three major restrictions of prior research, which are – again – the single level of analysis, the static analysis of processes, and the strictly intraorganisational perspective, we will refine the theoretical and conceptual basis of OCB.

**Temporary Organisations as a Specific Context for PCB and NCB**

Since the first organisational studies on projects have emerged that have taken the systemic qualities of this temporary form of organisation serious (e.g. Goodman & Goodman 1976; Lundin & Söderholm 1995), researchers have acknowledged four dimensions that are deemed to be characteristic of projects: time, task, teams, and transition. Time is critical for projects as – already insinuated in the term and accompanying literature on temporary (sic!) systems – they differ from conventional organisational settings due to their built-in termination mechanism (Lundin & Söderholm 1995).

For the purposes of this study, we explicitly address the aspect of temporariness as well as the embeddedness of a particular project in different contexts, as we consider projects often to be
more than just temporary systems (Sydow & Staber 2002; Windeler & Sydow 2001; Sydow 2006). We deem time to be an important, albeit to date under-researched topic, as by and large it remains an unquestioned facet of projects (in a similar vein, cf. Bakker 2010). However, given our interest in the – in praxi observable – influence of time upon projects (e.g. in terms of team composition and performance) and the frequently path-dependent nature of personal, as well as organisational actors reverting to previously established and relied upon relationships (Manning & Sydow 2011), it is decisive to account for this observation. What is more, paraphrasing Richardson (1972), projects are by no means islands (Engwall 2003) and, therefore, surrounding levels of analysis, such as the organisation or interorganisational networks (e.g. Ekinsmyth 2002; Jones & Lichtenstein 2008; Manning 2008, 2010) are likely to be relevant to the development of interorganisational projects over time. Thus, they are also relevant to our understanding of PCB and NCB. One other consequence of this is an increasing difficulty in identifying the temporariness of the system under scrutiny, as its embeddedness in (different) interorganisational contexts can throw into question the actual temporariness of the respective project. Related to this aspect is the challenge of accounting for behavioral issues that are (re)produced throughout the course of projects and (re)embedding them into the respective permanent environmental context (e.g. Grabher 2004a, b; Sydow et al. 2004). For instance, Manning and Sydow (2007, 2011) report on the way project networks in the field of TV production are (re)produced, thereby constituting “latent organizations” (Starkey et al. 2000) that in effect serve to enable a smoother recruiting process as actors of particular TV projects are not recruited from scratch, but stem in effect from an evoked set of previously engaged actors.

Summarising these strands of research on project management, it becomes obvious that temporality is not questioned, as it is deemed to be – per definition – a constitutive element of projects as temporary organisations. What matters more than the actual duration, the temporary embeddedness, however, is – not least with respect to its consequences – the way forms of citizenship behaviour may unfold through the course of interorganisational projects against the backdrop of embeddedness in interorganisational networks.

**Employing an Explorative Research Approach**

For our explorative study, we first identified several industries where interorganisational projects embedded in networks are prevalent. According to the literature, these industries are typically filmmaking, theatre, construction, software development, advertising, biotechnology, consulting, emergency response, fashion, television, and complex products systems (DeFillippi & Arthur 1998; DeFillippi 2002; Eccles 1981; Goodman & Goodman 1972; Grabher 2004a; Hobday 2000; Powell et al. 1996; Sydow & Staber 2002; Uzzi 1996; Weick 1993). In order to gain access to project managers and project workers in these industries we cooperated with the “GPM Deutsche Gesellschaft für Projektmanagement” (GPM for short), which is the German representation of the International Project Management Association (IPMA). Today the GPM, founded in 1979, has 5,300 members. These are professionals working in the field of project management in a number of different industries and at all hierarchical levels. For our explorative approach, the GPM represents an adequate partner for identifying potential interviewees. We contacted the regional groups within the GPM. Each group has a chairperson, who has usually been a member of the GPM for many years and who has an excellent overview of the regional members and their work situation. These chairpersons helped us to identify participants who each fulfilled three criteria: first, we looked for project managers or project workers who typically work in interorganisational projects; applying this filter, we excluded all those working primarily in *intra*organisational
projects. Second, we asked for people who work in one of the industries mentioned above, because they should be more likely to have experience in project work across organizational boundaries, possibly even embedded into complex networks of interorganisational relations. Third, we asked for persons who have extensive work experience in those kinds of projects (>5 years).

Two data sources were utilized for triangulation purposes:

- To date, 25 semi-structured interviews have been conducted and transcribed and
- over the course of the project, we attended different GPM initiated, cross-industry conferences dealing with project management to gain better comprehension of the research context – and additional interview partners.

The interviews were conducted during on-site visits or by telephone, and recorded and transcribed verbatim for subsequent analyses. Some of the first interviews were conducted by two members of the research team, allowing us to benefit from more adequate information gathering and recalling after the interview took place (Huber & Power 1985) and also for refining the interview questions. Each interview (on average: 30-45 minutes) was oriented toward an interview guideline augmented by follow-up and clarifying questions (a sample interview guideline from the intermediate stage of the project is given at the end of the Appendix). Taken altogether, the interviews were divided into four central themes with regard to existing knowledge of OCB and – on the other side – an openness for project-specific insights: (1) the typical set-up of projects, (2) what takes place before and after projects, (3) what kinds of cooperative behaviour are prevalent within projects, and (4) what makes them similar or different to intraorganisational work. However, in the course of the research project, the questions became more specific and the interviews became increasingly confirmatory in nature, although the questions remained nondirective, refraining from mentioning specific aspects (e.g. the OCB-dimensions) until the respondents aired them themselves.

As for attendance at conferences, we presented preliminary findings of our study to practitioners and discussed the results by comparison to the participants’ individual experiences. Applying this method, we were able to increase the external validity of our findings as a form of member validation (Seale 1999).

After data-collecting and coding, we performed a qualitative content analysis of the empirical material in order to reconstruct the subjective perspectives of the interviewees on citizenship behaviour in interorganisational projects, i.e. PCB or NCB. Subsequently, we condensed the data and extracted the most relevant information concerning the nature of citizenship behaviour in interorganisational projects as well as between such projects. These intermediate findings were subsequently discussed by the research team. In the next section we show how each step of the coding and data analyses procedures were accomplished.

In the first stage we collected all data in a case study database to heighten reliability (Yin 2009), whereby our analysis is based upon the ‘raw data’ of 316 pages of interview transcripts, and roughly 30 pages of field notes as well as conference data (e.g. conference presentation slides). The entire written data was compiled and atlas.ti, a software program to collect and to code predominantly qualitative data, was utilized to initially systematize the data and obtain an overview. For this purpose we converted all ‘raw data’ that were not in a Word- or PDF-format by scanning them into PDF-files for a combined analysis in atlas.ti. Furthermore, cyclical rereading and protocols by the authors formed the basis for comprehending the way how project managers and project workers behave cooperatively in interorganisational projects.
Stage two consisted of coding the qualitative data. At the beginning, we did not have a detailed coding-scheme but instead started with an inductive code development, looking for antecedents, characteristics and consequences of intra-project as well as inter-project citizenship behaviours, which led to six coding categories. Of course, we had in mind the OCB concept and were to some extent sensitized by the previous research on this concept. However, we did not use OCB-dimensions or items as a coding scheme in order to be open for additional or project specific themes. Combinations of some initial deductive reflections and an inductive methodology for code developments are suggested by Mayring (2009: 116) and are applied in thematically related studies (e.g. Ames et al. 2004; Blatt 2008). This step was accomplished by two researchers independently. The coded phrases of both researchers were aggregated. In contradictory cases (e.g. one researcher assigned something as an antecedent while the other assigned it as characteristic, we applied multiple codes). This procedure resulted in a total of 235 codes which creates the basis for the next steps of data analyses.

In stage three we condensed our empirical data. Table 1 and 2 depict the emergent data structure of PCB and NCB, which started with coding at the level of a text unit, defined as a sentence or sequence of sentences conveying a coherent point. Initial coding resulted – as shown in the previous paragraph – in first-order categories offered in vivo by informants. At first, some text units were placed in multiple categories to allow for a rich interpretation of data. In what followed we constructed mutually exclusive second-order themes and grouped them hierarchically, which led to the collapse of 235 first-order categories into 14 second-order themes that represent more abstract and researcher-induced interpretations. For instance, we collected information about how project workers behave in situations where company interests are opposed to project interests. We were told that project workers often focus on the project goals rather than the company goals because the project is experienced to be physically closer and far more vivid than company issues which we then comprised as “project as an own point of reference for behaviour”. Thereafter, for PCB the second-order themes were subsumed under four third-order themes that represent major PCB-dimensions and for NCB the second-order themes were subsumed under three third-order themes that represent the major NCB-dimensions. This abstraction process involved close and repeated reading of the data. If a text unit or category was identified that did not fit one of the themes at the next level of abstraction, then a new theme was created. Once, new themes were introduced, the entire data-set (again) was checked for matches with this theme.

For construct validity purposes, the analytical themes were reviewed by key informants in the course of re-entering the field parallel to the three stages. By means of conducting focused interviews, ambiguities in our comprehension of PCB and NCB were resolved, such as how these concepts relate to each other. When PCB and NCB had been clarified as an overarching analytical framework, we compared our results with previous research on OCB to highlight similarities (e.g. the way helping behaviour is performed) and differences (e.g. the existence of sportsmanship), which strengthened the internal validity of our findings and served to match data and theory.

Despite our efforts to conduct this research as rigorously as possible, we are fully aware that we reduce the complex reality to what seems inter-subjectively consistent for our interviewees and for us.
Dimensions and occurrences of Project Citizenship Behaviour

<table>
<thead>
<tr>
<th>Illustrative evidence</th>
<th>First-order categories</th>
<th>Second-order themes</th>
<th>PCB-dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actually there are no contracts that don’t have shortcomings. The shortcomings emerge once you engage in the project and suddenly you realize “Mh, that’s not been within my scope” and the other says one “Mh, this is actually also not within my scope”, but we have to deliver as we are together responsible for delivering (I-6, Z. 126ff.)</td>
<td>As not every situation can be contractually defined ex ante, in the course of the actual project collaboration, mutual support is necessary</td>
<td>Bridging contractual gaps and coping with unforeseeable situations</td>
<td>Researcher induced, very close to data</td>
</tr>
<tr>
<td>Sometimes they perform more than it is actually needed, so that, for example, the service provider proactively approaches someone and says &quot;May I do you another favor, do you need anything else where I can help or the like?&quot; and then you respond &quot;Well, we will deliver somehow&quot; (I-19, Z. 167ff.)</td>
<td>The service providers signal that they are willing to help each other if need be</td>
<td>Reciprocal support</td>
<td>Researcher induced</td>
</tr>
<tr>
<td>Cooperation is for me in this regard that every [...] employee acts carefully [For example] If a fellow trainer is situated in Singapore and the necessary training materials have not arrived yet, then I need a very cooperative behavior of the local customer but also of the local employees in the offices, in order to manage this [situation] (I-11, Z. 145ff.)</td>
<td>In the case of problems all parties involved need to act carefully and, for instance, balance delays</td>
<td>Pragmatic solutions to problems</td>
<td>Researcher induced</td>
</tr>
<tr>
<td>I’m frequently experiencing that project workers prioritize the project success as opposed to the success of their respective firms. In fact, they identify with the project as the project success can be much more intensively experienced as the meeting the interests of the own company (I-15, Z. 234ff.)</td>
<td>Cooperative behavior is expressed by means of pursuing joint project goals as opposed to individual (company’s) interests</td>
<td>Project as point of reference for behavior</td>
<td>Researcher induced</td>
</tr>
<tr>
<td>Voluntarily sharing the workload with fellow colleagues is certainly a strong motive of cooperative behavior that occurs again and again (I-21, Z. 253ff.)</td>
<td>The willingness to help in the form of voluntarily sharing work is a frequently observable phenomenon in projects</td>
<td>Responsibility towards the project</td>
<td>Researcher induced</td>
</tr>
<tr>
<td>We’ve been working on a construction site with 6,000 people internationally at the airport of London [Heathrow] There no difference was made between external consultants and other people, the primary rationale was: mixed teams (I-1, Z. 24ff.)</td>
<td>Employees of various companies become members of an interorganizational project.</td>
<td>Organization’s boundaries are increasingly blurred</td>
<td>Researcher induced</td>
</tr>
<tr>
<td>I want to be able relying upon them. If someone tells me “I’ll do that”, then I want this person to do that in effect and if I always need to monitor if it is done by this person, then there is trouble (I-5, Z. 281ff.)</td>
<td>In projects, employees ought to obey rules, which fosters reliability</td>
<td>Fulfiling expectations</td>
<td>Researcher induced</td>
</tr>
<tr>
<td>If someone starts to attract customers from the person that is in the lead in this project then he will be fired on spot. This is professional etiquette that almost all firms comply with by themselves (I-24, Z. 158ff.)</td>
<td>In projects, certain &quot;rules of the game&quot; need to be obeyed</td>
<td>Following rules of engagement / cooperation</td>
<td>Researcher induced</td>
</tr>
<tr>
<td>The project workers know their surrounding so well that they also discover issues they make me aware of, which help to improve the overall project (I-12, Z. 217ff.)</td>
<td>Project worker proactively direct the attention of the project leader towards opportunities for improvements</td>
<td>Introducing own experiences and ideas</td>
<td>Researcher induced</td>
</tr>
<tr>
<td>Of course you always hope to get early warning signals if something goes wrong or disturbances occur as long as you are able to deal with that (I-13, Z. 248ff.)</td>
<td>If problems are detected early enough, it is still possible to identify adequate solutions</td>
<td>Proactive behavior</td>
<td>Researcher induced</td>
</tr>
</tbody>
</table>

Table 1: Emergent data structure of PCB
### Dimensions und occurrences of Network Citizenship Behaviour

<table>
<thead>
<tr>
<th>Illustrative evidence</th>
<th>First-order categories (researcher induced, very close to data)</th>
<th>Second-order themes (researcher induced)</th>
<th>NCB-dimensions (researcher induced)</th>
</tr>
</thead>
<tbody>
<tr>
<td>With others you built up a certain relationship, for instance, while getting in touch with each other in the run-up to projects you say “well, now it’s our turn again. What does it look like on your side? There might be a project in a couple of months or half a year. Have some of your personnel ready for us” (I-2, Z. 49ff.)</td>
<td>When initiating a project, project leaders attempt to get in touch with prior partners</td>
<td>Considering partners in the course of initiating the project</td>
<td>Network-related loyalty</td>
</tr>
<tr>
<td>There’s actually a company, we are collaborating with, that has been sold many times over the past years or has rather been dissolved. However, with a core of these people who remain the same we’ve been collaborating on a continuous basis. We’ve made good experiences with them, which is why the firm we collaborate with changes, but the people stay the same (I-25, Z. 55ff.)</td>
<td>There exists a relationship stretching across projects to specific persons, even though they might change their affiliation over time</td>
<td>Relationships as a point of reference for behavior</td>
<td></td>
</tr>
<tr>
<td>We always stay in touch with each other. I have two or three people with whom I have been working together. If there is not much to do and for a couple of weeks there is no business to be done, then I’ll keep in touch with them via telephone calls, e-mails and the like. Most of the time I’m calling them in order to check what’s up on both sides, if something new is likely to happen or if he or she is already interested in something else. You have to try to stay in touch with the guys (I-12, Z. 41ff.)</td>
<td>Monitoring of persons with whom the company has been collaborating prioritally; even if no current project is pursued jointly, the project workers stay in touch via the phone or e-mail</td>
<td>Frequent communication (face-to-face, e-mail, telephone)</td>
<td></td>
</tr>
<tr>
<td>Well, we have an exclusive partner manager and the lady cares about relationship management; with production firms this is more often the case, as there are common activities, be it with regard to conducting presentations at customer events or keeping address data bases and discussing them with each other or even up to the point where we identify opportunities jointly that might be addressed if the market allows us to do so (I-17, Z. 55ff.)</td>
<td>There’s a separate organizational unit devoted to relationship management. Key tasks are, for instance, participating at customers events, keeping address files and monitoring the market.</td>
<td>Support by means of a centralized partner management</td>
<td>Proactive relationship management</td>
</tr>
<tr>
<td>I’m participating a lot in conferences, workshops, fairs, seminars, events of all sorts in my area of expertise and of course with regard to my professional orientation in order to constantly be aware of what’s going on and novel developments, in order to engage actively, to convey information, get different networks into touch with each other that might benefit from knowing each other (I-11, Z. 75ff.)</td>
<td>Partizipation at different venues, engaging in relationship management and identifying new collaboration opportunities</td>
<td>Relationship management in the course of events</td>
<td></td>
</tr>
<tr>
<td>„We presume that they [the service providers] are up-to-date concerning their performance and that they care themselves for maintaining their position, let’s put it this way. There are specific requirements for large scale projects and we simply know that the initiative of them [the service provider] is necessary; this holds true for planning and engineering service providers as well as for construction firms. They need to implement certain processes et cetera and they have to focus upon maintaining their position as a competitive partner” (Interview #3, l. 293-300.)</td>
<td>Sub-suppliers try to singal by means of certificates that they dispose of the relevant characteristics for a project</td>
<td>Self-development</td>
<td></td>
</tr>
</tbody>
</table>

*Table 2: Emergent data structure of NCB*
Findings: Project and Network Citizenship Behaviour

In line with previous research that calls for a refined notion of projects, not perceiving them as islands (Engwall 2003 alluding to Richardson 1972), our findings suggest that citizenship behaviour does bear relevance with regard to the immediate project. First and foremost, this PCB is manifest in behaviour that could not be expected per se, as partners from different organisations collaborate in the course of interorganisational projects. Hereby, it was often stressed that it is quite common for partners to offer help in excess of what is actually formally required when setting up the project, as the overall project success is decisive. In this connection interviewees stated that:

“In the daily project business it is quite common that each partner has a problem at some point and that he is dependent on the help of the other partners. When working together for a longer period of time, each of us knows we can rely on one another.”

“Without mutual trust and helping behaviour, we would not start working together. We are a team and that’s what we live. If someone does not behave cooperatively, he wouldn’t be accepted.”

![Figure 2: PCB and NCB in the context of interorganisational projects.](image)

However, what is more, the PCB should not be viewed in isolation. Reverting to our findings, we submit that the citizenship behaviour is not only observable in the form of PCB, but is also discernible across projects. This reflects the fact that interorganisational projects – at least for some industries – can be viewed as being embedded in interorganisational networks where the actor constellations vary over time (e.g. Windeler & Sydow 2001). We can confirm this assumption, as interviewees frequently mentioned that they revert to an established set of actors from which they recruit fellow project workers. One respondent put it succinctly as follows:

“Over the course of projects we build up relationships. For instance, in the forefront of projects we align things with potential partners. We tell them ‘There might be a new project coming up within the next quarter or half year, please keep personnel available – in case we get it.’”
Given the seven dimensions of OCB according to Podsakoff et al. (2000) – that are Helping Behaviour, Sportsmanship, Organisational Loyalty, Organisational Compliance, Individual Initiative, Civic Virtue and Self-Development – in what follows we will report upon how these dimensions need to be refined in the light of PCB and NCB. We primarily draw upon the comprehensive review in the form of a meta-analysis by Podsakoff et al. (2000), that analyses OCB research findings since Bateman and Organ (1983), and we argue – based upon the findings of our own research – how these dimensions may be refined in the light of PCB and NCB.

**Helping behaviour** describes actions which are directed at helping a person in face-to-face situations (Smith et al. 1983). The behaviour is voluntarily and solves or prevents problems among co-workers. This dimension has been identified as an important form of citizenship behaviour by almost every scholar working in this area (e.g. Borman & Motowidlo 1993, 1997; George & Brief 1992; Smith et al. 1983; Van Scotter & Motowidlo 1996; Williams & Anderson 1991). In the project context such behaviour is directed at single persons or the entire project team, who formally have work contracts with different organisations.

Consequently cooperative behaviour in interorganisational projects crosses organisational boundaries. This is not trivial since the accountability of performed tasks or accomplished working hours to particular organisations gets jeopardized. However such *project-specific helping behaviour* is essential in interorganisational projects, as our interviews underline:

*That’s project life. Everyone is at some point in time dependent upon one of the partners and the need to help each other. If you are working for a longer period of time with another partner, you know that you can rely upon each other and if you experience problems, your partner will help you* (Interview #2, l. 263-267).

In our research we also found that helping behaviour occurs within the actual project, e.g. when project workers are committed to the objectives of the project, when they identify with the project or when they have a feeling of belonging to a project team:

*Usually you try to pursue the project objectives jointly. In this connection everyone has to go for the extra mile and bite the bullet, if need be* (Interview #2, l. 111-113).

While PCB refers to the actual project, NCB refers to the relationships across several projects. Our research suggests that helping behaviour is rather a phenomenon of operative project work and therefore solely a PCB dimension. One explanation may be that this kind of behaviour, more than others, requires clear boundaries that support identification processes. Such boundaries may be provided by a particular project as a temporary system, but significantly less so by a project network with inherently fuzzy boundary.

**Sportsmanship** – in the sense of Organ (1990: 96) – is a “willingness to tolerate the inevitable inconveniences and impositions of work without complaining”. While this definition is a narrow interpretation of the dimension, most scholars have a broader understanding of sportsmanship which rather addresses the attitude to think positive without complaining immediately, even when things go wrong. An additional aspect of this is not to take a rejection of ideas personally (MacKenzie et al. 1993; Podsakoff et al. 2000). Previous research shows that sportsmanship is somewhat different from the other dimensions with distinct antecedents and consequences (Podsakoff et al. 2000).

In the context of interorganisational projects, this dimension needs to be adjusted to the idiosyncrasy of this specific organisational form. Our interviewees accentuated that in projects there is in general less tolerance for time delays or human errors than in line
organisations. If delays or human errors occur and result in significant extra costs, in interorganisational projects often financial claims are formulated (this takes place regularly e.g. in the construction industry). In that regard, sportsmanship is not a matter of personal choice (which is a major criterion of OCB; Organ 1988), but rather of the organisational policies and legal contracts between the project partners. However, the personal choice is still given, but with a different accentuation: It is up to the project manager or project worker how he or she reacts to problems. Not complaining and somewhat ignoring issues seems to be no option in interorganisational projects:

Most of the projects are time sensitive, which is why ignoring this issue would result in not being able to meet your own targets (I-13, Z. 369ff.)

But the project managers and their staff may engage in joint problem solving activities and find creative solutions or, in contrast, formulate the deficits as financial claims right away. Obviously, the first approach is rather citizenship-like than the second. Therefore we subsume this phenomenon under helping behaviour as it is more appropriate as a PCB-dimension in this context than sportsmanship:

If the implications are not that severe, you argue „We consider this issue and write it down together. You are late for 14 days, which is why we started 14 days later. We care for that. Probably we are able to recover a bit and towards the end of the project we’ll sit together and try to calculate [the inputs made by each party] (Interview #2, l. 167-175).

**Organizational loyalty** captures endorsing, supporting and defending organisational objectives (Borman & Motowidlo 1993), which also includes spreading goodwill, protecting the organisation and defending it against threats, even under adverse conditions (Podsakoff et al. 2000).

This dimension is also applicable for interorganisational projects. The difference here is the organisational belonging which is in a tense relationship with the project work. Project workers usually have an employment contract with one of the organisations participating in the project. Therefore, project workers have to report to their line managers in the first place. The project level creates project loyalty only as a second point of reference for loyalty and a dimension of PCB:

Of course, at first you have to come to a commercial consensus you have to decide upon. There you also demarcate your areas of activities, but in what follows you have to say, “Well, let’s put the contract aside and let’s figure out how we can become a real team. We have to perform by now and then you have to … actually the team needs to be set up, without having any restrictions with regard to their composition, that is, without considering affiliation related issues, across corporate and departmental structures (Interview #13, l. 286-292).

As for enduring relationships across several projects we found an additional type of loyalty, which refers to the ongoing relationships rather than the actual project. We call this NCB-dimension network-related loyalty. One of our interviewees stated thereupon:

If one of the partners runs the risk of becoming insolvent and addresses this issue openly then it becomes really dynamic, then someone [of the project team members/institutions] will help – sometimes three or four partners collaborate in order to save the ailing partner. I’ve been experiencing this for a couple of times and it is again fascinating to observe […] The respective partner gets help by obtaining projects from the fellow network members or the supporters establish contacts at their customers or they take a
look at the partner, check the current state of affairs and work for a turnaround [...] In this very moment dynamics ensue within the network that you just do not want to lose your fellow colleague, as you are in principle respect and need this very partner. Thus, this decision is made on an ad-hoc basis (Interview #24, l. 314-332, 349-356).

Organisational compliance entails the acceptance of rules, regulations and procedures and their internalization in individual behaviour. The previously mentioned “personal choice” as a criterion of OCB becomes relevant when no one observes or monitors the compliance, but when a person still acts conformingly. Compliance is a citizenship behaviour because even though people are obliged to behave in a particular way and obey corporate regulations, rules and procedures at any time, some of them do not or not always do so. A good citizen obeys rules and regulations even when nobody is watching (Podsakoff et al. 2000).

In interorganisational projects formal and informal rules and procedures are established by the management which initiated the project, by the project manager and/or in a more or less democratic process the project team. Subject of compliance are, e.g., communication procedures, information sharing policies, deadlines and punctuality. Compliance is an important issue in PCB because many projects are “virtual”, and project workers can solely collaborate over the internet and telephone. Sometimes personal kick-off meetings or regular jour fixe are scheduled, but the spatial distribution of project workers still represents a challenge of team leadership. In this context the case where nobody is watching compliance issues is rather the rule than the exception. Of course, at some point it will become obvious, whether objectives, deadlines and budgets are fulfilled, but this can be too late and endanger the entire project. Therefore, project compliance is an important dimension of PCB:

By nature we oftentimes revert to people, or institutions, with whom we’ve been cooperating in the past; that have already proved to be cooperative and delivered solid output. So you really think in these terms as it is at the core of interest: if you are setting up a project or plan it than you already need something in the back of your mind how it shall work. You have to now whom you are addressing (Interview #18, l. 99-105).

Project compliance is a phenomenon which seems to occur solely as a PCB dimension and not as a dimension of NCB. A possible explanation might be that within projects there are usually clear formal rules, standards and contractual arrangements. Project-networks, at least the ones we observed, are formally not as regulated as projects. They are steadily changing and also the affiliated persons come and go as the network develops. Therefore, the object of compliance is elusive in project-networks. This makes it difficult, maybe impossible, to answer the question ‘comply to what?’.

Individual initiative describes task related behaviours that reach beyond the minimal job requirements or generally expected performance levels. In that sense they are voluntary and a kind of extra-role behaviour which usually contains moments of creativity and innovation. The objective is to improve the personal and/or the organisational performance. Doing so, employees show enthusiasm, and they tackle additional tasks or motivate fellow employees to do the same (Podsakoff et al. 2000).

Applying this dimension to the interorganisational project we found various project-specific proactive behaviors which are very similar to the initiative-dimension of OCB. For example, project workers use their knowledge of past projects in order to make suggestions for improvement in the current project without being asked to do it. Or they attend meetings which are not obligatory but perceived as being useful for the project. One of the interviewees put it this way:
The partners also have topics and ideas that they have had in other projects with different clients, which were made use of in this project. They were also proactively engaged, they pointed at potential issues where they knew that in the future changes might occur, that it is worth considering them as early as possible (Interview #9, l. 146-156).

As for NCB, initiative occurs as a proactive relationship management, which concerns the ongoing relationships and not the operative behavior within a particular project. In praxis that means project workers keep in touch across projects, they attend conferences or venues and some of them utilize a centralized partner management (similar to a customer relationship management in marketing):

I selectively engage in caring for the relationships with specific partners. Selected ones! The issue is as follows: either they are a tremendously valuable service provider, that you really want to continue to cooperate with or you have - as you are often engaged with him - established close ties with these guys in the end [...] just having a brief telco, just asking if something has happened recently, just going for lunch with them (Interview #19, l. 79-87).

Civic virtue is prevalent when individuals engage actively in the governance of an organisation, e.g. participation at meetings, internal policy debates, contributing the corporate strategy. The dimension represents a macro-level interest and commitment of an employee toward the organisation (Podsakoff et al. 2000).

Projects also have organisational structures and processes. Consequently, governance issues are as prevalent as in other organisational forms. And indeed, we found that project workers are regularly interested in what takes place at the macro-level of the project. Moreover, they often even actively engage in meetings and contribute to project governance. Some of our interviewees stated that there is a particularly high interest in project governance because projects are smaller units than organisations and they are more vivid and better ‘to experience’ than a company. Nevertheless, we found it difficult to draw a line between proactive behaviours and civic virtue and rather suggest both as behavioural manifestations of the same dimension.

Self-development means that employees develop their knowledge, skills and talents on a voluntary basis in order to heighten their potential. This might include “seeking out and taking advantage of advanced training courses, keeping abreast of the latest developments in one’s field and area, or even learning a new set of skills so as to expand the range of one’s contributions to an organization” (George & Brief 1992: 155).

We observed that in many projects – from a project worker’s perspective – self-development is a precondition in order to be considered as a candidate for or a member of the project team. For each project, the project management will identify staff with appropriate knowledge, skills and abilities. For example, particular certificates and transcripts are requested by the project management. More often than not, these documents are critical to qualify for such a job. Consequently, self-development takes place between projects or aside a current project in order to stay attractive in terms of knowledge, skills and abilities and to fulfill the preconditions for the next project:

„We presume that they [the service providers] are up-to-date concerning their performance and that they care themselves for maintaining their position, let’s put it this way. There are specific requirements for large scale projects and we simply know that the initiative of them [the service provider] is necessary; this holds true for planning and engineering service providers as well as for construction firms. They need to implement
certain processes et cetera and they have to focus upon maintaining their position as a competitive partner” (Interview #3, l. 293-300).

For us, this seems to be a clear indication that self-development occurs not within a single project but either aside the project or along a serious of projects. Therefore, self-development is not a dimension of PCB but solely of NCB.

<table>
<thead>
<tr>
<th>OCB</th>
<th>PCB</th>
<th>NCB</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Helping Behaviour</td>
<td>Project-specific helping behaviour</td>
<td>-</td>
</tr>
<tr>
<td>2 Sportsmanship</td>
<td>Project loyalty</td>
<td>Network-related loyalty</td>
</tr>
<tr>
<td>3 Organisational loyalty</td>
<td>Project loyalty</td>
<td></td>
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<tr>
<td>4 Organisational compliance</td>
<td>Project compliance</td>
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<tr>
<td>5 Individual initiative</td>
<td>Project-specific proactive behaviour</td>
<td>Proactive relationship management</td>
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<td>6 Civic virtue</td>
<td>Project compliance</td>
<td></td>
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<tr>
<td>7 Self-development</td>
<td>-</td>
<td>Self-development</td>
</tr>
</tbody>
</table>

Table 3: Redefinition of OCB in the interorganisational context

As shown in Table 3, several dimensions of OCB apply for interorganisational contexts also. Our data-analysis led to four dimensions of PCB which are (1) project-specific helping behaviour, (2) project loyalty, (3) project compliance and (4) project-specific proactive behaviour. Project specific helping behaviour is reflected in the OCB helping behaviour and sportsmanship dimensions; project loyalty is reflected in organisational loyalty; project compliance is reflected in organisational compliance and project-specific proactive behaviour is reflected in the OCB dimensions individual initiative and civic virtue. We could not find a project specific analogy of self-development because this seems to be rather a precondition in project staffing than a voluntary behaviour within a project.

While PCB occurs within a project and is part of the operational, every-day-work, we found another type of citizenship behaviour which is not prevalent in the operational work of a particular project, but which stretches across several projects and can be described as the relational ‘glue’ that connects projects. For this type of citizenship behaviour we introduced the notion of NCB. In our data-analysis we identified three NCB-dimensions which are (1) network-related loyalty, (2) proactive relationship management and (3) self-development. Network-related loyalty is reflected in the organisational loyalty dimension of OCB; proactive relationship management is reflected in individual initiative and civic virtue and self-development is a dimension of PCB as well as OCB.
The interrelation of PCB and NCB

In the previous section we have shown, which PCB and NCB dimensions emerged in our data-analysis and how these dimensions are reflected in the OCB concept by Organ et al. (2006). We introduced PCB and NCB as two distinct concepts: PCB is a within-project phenomenon and NCB as appearing across several projects. In practice, either one type or both types may be found in a person’s behaviour in a certain period in time. Figure 3 shows possible combinations of low and high PCB and NCB.

![Figure 3: Typology of citizens in the interorganisational context](image)

**Bad Citizen.** When PCB and NCB are low, that means cooperative behaviour that deserves to be classified as close to OCB are not performed by a person – neither within nor between projects. In this case the person’s behaviour indicates a bad citizen in the context of interorganisational work. This may apply for project workers who are extremely selfish and who do not like or do not care for their project-colleagues. This antipathy may discourage a person to work again on a similar project with the same people and similar circumstances. So his or her interest in keeping or maintaining relationships may be very low. Furthermore, the person will not feel a belonging to the project team or, across projects, a network of project workers.

**Project Citizen.** In case of high PCB and low NCB a person acts very cooperatively within a certain project, supports his/her co-workers, feels responsible for the project outcomes, follows rules and agreements, and comes up with own ideas and suggestions how to improve things. However, those persons do not look beyond the current project and instead adhere the view of the traditional project management approach that emphasizes the temporariness and the isolation of projects. The reason may be that a project citizen does not care about ongoing relationships with certain project workers because he or she assumes that after the project close-out the team will split up and in a new project a completely different set of people will
work together. Another reason could be that a person is aware of these ongoing relationships but he or she does not manage or maintain them, e.g. because of laziness, an underestimate of potential benefits or a lack of social skills.

**Network Citizen.** If PCB is low and NCB is high, then someone does not act cooperatively and exemplarily within the current project. However, the person maintains and manages relationships to project workers e.g. from former projects. This is somewhat the opposite of a project citizen but logically more difficult to reason: Why should someone hold or build relationships with project workers or managers but not act supportive when working together in a particular project? There might be a situation where a person builds up relationships for some point in future, but there is just no project yet or all attempts to generate a project failed so far. Another less desirable reason might be dishonesty, e.g. someone who aligns people and projects for his own benefit but does not care about how the project is accomplished.

**Project-network Citizen.** In the probably most desirable case, both PCB and NCB are high. Such a situation occurs where people behave cooperatively within a project, support their co-workers and so on, but also maintain the contacts and build up relationships which endure longer than an actual project. From a theoretical point of view this is beneficial for upcoming projects because the team does not start from scratch each time, but instead can build on existing structures, routines etc. Here, the interplay of PCB and NCB is most evident and obviously both concepts are part of a recursive interplay: (1) If project workers are supportive and get along very well in a project, they will keep in touch and from time to time catch up. (2) Once a new project is coming up, they will try and help each other to get into the project team. In the operative work they have a relational basis already and will find it easier to collaborate with one another than to work with someone completely new. While working together their relationship gets re-activated and further stabilized. This finding is in line with previous research, e.g. in the TV content production (Windeler & Sydow 2001; Starkey et al. 2000).

As shown above, PCB and NCB are neither excluding nor inevitably presuming one another. Nevertheless, from a theoretical perspective a high PCB in combination with a high NCB might be most fruitful for the actual work and the project outcomes. Just for matter of interest (and not for generalizing from the small numbers of interviews), we believe that about half of the cases we have studied seem to qualify for this “optimal type”.

**Conclusions and Directions**

This study investigated how project managers and project workers engage in citizenship behaviours in interorganisational projects and how such behaviour refers to relational-building along interorganisational projects. We presented previous research findings on OCB and argued that there are three major deficits which should be overcome in order to advance the concept and to make it eligible for other contexts, such as project(-networks):

First of all, most of the previous studies on OCB considered just one level of analysis, e.g. unit-level OCB. In our study we introduced two types of citizenship behaviours, PCB and NCB. This allowed us to address the level of the project (PCB) and the level of relationships that hold across several projects (NCB). Based upon preliminary insights of our explorative study, we also showed that these concepts may influence one another recursively, especially when project workers act as project-network citizens. This supports previous research on latent relationships in the TV content production (Windeler & Sydow 2001; Starkey et al. 2000).
Second, we addressed the problem of a static analysis by adopting a perspective that takes into account not just an isolated project as a single occurrence but several projects over time. Our qualitative approach allowed us to identify in praxi citizenship behaviours which are not related to a specific point in time but which rather develop along projects. This insight underlines the importance to study citizenship behaviour from a process perspective in studies with a longitudinal design.

Third, our own research was geared towards projects in which several organisations and their personnel were involved. This enabled us to analyze citizenship behaviours which cross organisational boundaries. Previous studies, except the one by Autry and Skinner (2008) who found citizenship behaviours in supplier-relationships, were intra-organisational. In line with Autry and Skinner (2008) we also found interorganisational citizenship behaviours. We could show that this phenomenon goes far beyond supplier-relationships and is observable throughout various interorganisational projects.

PCB and NCB may be criticized to be too far away from the conceptual ‘core’ of OCB by Smith et al. (1983) and Podsakoff et al. (2000). We argue that our findings are reflected in the OCB-concept quite well and we put forward two arguments supporting our claim:

First, the labels of the dimensions which emerged in our data-analysis are very close to the original concept as we have shown in Table 1. This demonstrates a large similarity at least between the linguistic terms involved in OCB research on the one hand and possible studies of PCB/NCB on the other.

Second, the new concepts of PCB and NCB fulfill the major criteria of citizenship behaviours which are part of the definition by Organ et al. (2006). The criteria are a) the personal choice or voluntariness to perform such behaviours, b) the fact, that citizenship behaviours are “not directly or explicitly recognized by the formal reward system” and c) the influence of performed citizenship behaviours on “the effective functioning of the organization”. We accounted for this by focusing our interview questions on behaviours which are not part of contractual arrangements by the project partners or that go far beyond such arrangements. Furthermore, the behaviours we explored were neither recognized by the reward system on the project level nor at the organisational level. Of course a successful project in many cases leads to a bonus or some kind of incentive for the project workers and project manager involved. However, there is no automatism between the behaviour and an immediate personal benefit. Moreover, even Organ (1988) admits there is a difficulty to distinguish in-role behavior from citizenship behavior for some behaviours like initiative. He indicates that those behaviours differ more in degree than in kind.

The impact of citizenship behaviors on the effective functioning of the organisation is not trivial and it would go beyond the scope of this study to analyze possible impacts on various performance measures. Based on the conceptual plausibility of positive effects caused by PCB and NCB, we leave the effectiveness assumption without empirical evidence. This approach is not unusual in OCB research (Borman & Motowidlo 1993; Organ & Konovsky 1989; Podsakoff & MacKenzie 1994; Podsakoff et al. 2000). However, as a first indication for organisational effectiveness we found broad evidence across many interviews that PCB helps accomplish tasks and solve problems which are not addressed in contractual arrangements. For NCB we found evidence that such behaviour helps at the start of new projects. The existing relationships enable the project team to start not from scratch but to build on previous projects. This saves time and possibly money.

Our findings offer fruitful ground for future research on the nature of citizenship behaviours in the interorganisational context, with regard to theoretical, as well as empirical and methodological investigations. Our work opens the door for future explorations of citizenship
behaviours in interorganisational work, which is a new context of OCB that has remained extremely under-researched so far (Autry & Skinner 2008). Our explorative approach delivered a set of dimensions for PCB and NCB which should be validated and explored through quantitative research that assumed the development of an appriate scale. We outlined some antecedents and consequences, but there is still major work to be accomplished in order to identify and to quantitatively test such variables. Moreover, our qualitative methodology enabled us to overcome major restrictions of previous OCB-studies, especially the static perspective. We hope that OCB researchers will acknowledge the potential of qualitative methodology with regard to the dynamics of citizenship behaviours over time.

References


TESTING A CULTURAL DIMENSION OF PERCEIVED ORGANIZATIONAL SUPPORT FOR INDIGENOUS EMPLOYEES: A STUDY OF OUTCOMES

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ABSTRACT

Perceived organizational support (POS) is an established predictor of employee outcomes, although studies typically exclude indigenous peoples. The present study extends POS to include perceptions of support towards indigenous employees’ cultural values: a new measure Perceived Organizational Support for Culture (CPOS) has been created and tested on a sample of 345 working Maori, who are the indigenous peoples of New Zealand. Factor analysis shows that the new measure of CPOS, although strongly related to POS, is a distinct construct. Regression analysis showed that CPOS is significantly and positively related to job satisfaction and organizational commitment, and significantly and negatively related to job burnout and stress. Furthermore, this study tested the potential mediating effects of POS and found full mediation effects towards job satisfaction and job burnout, only partial mediation towards organizational commitment, and no effect on stress. The present study suggests that support for indigenous employees’ cultural beliefs is likely to have positive effects over and above traditional organizational support.

Keywords: Social exchange theory, POS, Cultural POS, indigenous, Maori.

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INTRODUCTION

Perceived organizational support (POS) is a highly effective measure that can predict a wide range of employee outcomes, including job satisfaction, job performance and employee commitment (Rhoades & Eisenberger, 2002; Riggle, Edmondson, & Hansen, 2009). Furthermore, it is based on social exchange theory, which has been suggested as being one of the most important research paradigms in workplace behavioral research (Cropanzano & Mitchell, 2005). However, while the literature on POS is well established (e.g. Eisenberger, Huntington, Hutchison, & Sowa, 1986; Rhoades & Eisenberger, 2002; Riggle et al., 2009), it has been argued that new models of POS and social exchange theory need to be devised (Cropanzano & Mitchell, 2005). The purpose of this study is to examine the support for Maori culture in the New Zealand workplace context, to determine whether similar POS relationships exist towards cultural support.

While there has been a large body of research surrounding Maori culture, language, history, and health (e.g. Durie, 1999, 2003; MSD, 2009; Walker, 1989), the exploration of supporting Maori customs and beliefs within the workplace has been overlooked. This provides an opportunity to gain much needed insight into cultural support of indigenous employees, while determining the potential influence this support may have on employee outcomes. The present study makes a number of contributions. Firstly, it responds to calls in the literature (Cropanzano & Mitchell, 2005) that current models of social exchange (e.g. POS) need to be extended due to their limited consideration of cultural factors. We find support for a new dimension of POS based on cultural support. Secondly, our cultural POS measure is found to be an important predictor of outcomes, particularly organizational commitment and stress, with it influencing these outcomes over and above those of POS.

NEW ZEALAND MAORI

The New Zealand population has a diverse ethnic composition made up of European, Maori, Asian and Pacific peoples with the major cultural minority groups increasing their populations at a rapid pace (Statistics New Zealand, 2010b). This has led New Zealand to be described as a ‘changing ethnic mosaic’ (Khawaja, Boddington, & Didham, 2007). Most notably, Maori are a group which showed a 30 percent increase in population between 1991 and 2006 (Statistics New Zealand, 2007c). Recent census data from Statistics New Zealand (2007a) show that Maori make up 14.6 percent of the population compared to 67.6 New Zealand European. Furthermore, the Maori population is still experiencing rapid growth expanding over three times faster than the New Zealand European population (Statistics New Zealand, 2010b). Statistics show that by the year 2026 Maori will make up 16.2 percent of the population as the European population continues to decline (Statistics New Zealand, 2010b).

Despite a sizeable representation in the population, Maori continue to underperform in the workforce (Statistics New Zealand, 2007b, 2007c; TPK, 2009). Maori have a significantly higher unemployment rate (16.4 percent) compared to New Zealand European at 4.4 percent (Statistics New Zealand, 2010a). Maori have also been hardest hit by the recession as unemployment rates between 2008 and 2010 have significantly changed and are more sensitive to fluctuations in the economy (e.g. Statistics New Zealand, 2010a). In addition, Maori earn lower incomes, on average 21.5% less, than New Zealand Europeans (Statistics New Zealand, 2007b). Finally, Maori generally occupy a higher proportion of unskilled positions and have lower education levels (MSD, 2009; TPK, 2009). These factors are
important because unemployment rates, income and skill utilization are important aspects in predicting an employee’s career satisfaction, job satisfaction and overall job performance (Aryee, 1993; Aryee & Luk, 1996; Aryee, Wyatt, & Stone, 1996; Judge, Cable, Boudreau, & Bretz, 1995).

The indigenous context of New Zealand deserves greater attention due to the role Maori play in New Zealand society. Despite indigenous peoples from the United States, Australia, New Zealand, and Canada being among the poorest citizens of their respective countries (Cornell, 2006), it has been suggested that Maori have been treated differently and better than other indigenous peoples (Cornell, 2006). Within New Zealand, there is an acknowledgement that there has been an overall renaissance regarding Maori culture (Piripi, 2006), with Maori language fluency being highly improved (Statistics New Zealand, 2007c). Furthermore, the New Zealand national anthem has become bi-lingual with both English and Maori versions used in sporting events etc., indicating the situation with which New Zealand society embraces Maori culture. Clearly, Maori culture plays an important and growing role in New Zealand. However, we do not know what role Maori culture, and support for it in the workplace, does for Maori employees. Research attention towards working Maori is missing, despite authors asserting that cultural identity is highly important for Maori in the workplace (Durie, 2003). Consequently, Maori provide a unique indigenous employee group worthy of testing the potential expansion of POS models to incorporate indigenous culture in the workplace.

**LITERATURE REVIEW**

**Social Exchange Theory & Perceived Organizational Support**

The foundations of organization support theory (OST) and POS are based on social exchange theory (SET) and the norm of reciprocity (Blau, 1964; Gouldner, 1960). Cropanzano and Mitchell (2005) noted that while there are many different views, the underpinning antecedents of social exchange theory suggest that a series of interactions from one party will generate obligations from another party. Van Dyne and Ang (1998) suggested that social exchange theory is a pattern of mutually contingent intangible and tangible exchanges and OST is considered to be one of “the most influential conceptual paradigms for understanding workplace behavior” (Cropanzano & Mitchell, 2005, p. 874). Overall, exchange relationships evolve when employers take care of their employees, which in turn leads to beneficial consequences, such as positive employee attitudes, more effective work behavior and high quality relationships (Cropanzano & Mitchell, 2005). In their study of New Zealand employees, Haar and Spell (2004) found valued work-family practices (employer benefit) enhanced employees’ organizational commitment (employee reciprocation).

Related to OST is the norm of reciprocity, which Gouldner (1960) suggested is culturally universal and based on interrelated minimal demands centred around the idea that “people should help those who have helped them” (p. 171). The norm of reciprocity can be seen as a dimension that is found in all value systems. Indeed, within Maori culture, the term *utu* relates specifically towards reciprocity (Schaniel & Neale, 2000). However, the norm of reciprocity is not unconditional as it can vary, particularly between cultures and different social groups (Cook & Rice, 2006; Gouldner, 1960). With reciprocity, the amount that one receives in return is likely to be equivalent to what has been given. Thus, equivalence is an important aspect to focus on, as obligations of reciprocity will occur when the individual is able to reciprocate (Gouldner, 1960). However, it must be noted that high quality relationships are not a given; they will only occur under the right circumstances.
In order for the relationship to evolve over time both parties need to operate under a set of rules of exchange (Emerson, 1976). Once these exchanges are established they create a wide range of obligations based on personal obligations, trust and gratitude that will not occur under a pure economic exchange (Blau, 1964). The overall message from the norm of reciprocity is that when one person treats the other well there is likely to be an obligation to return favourable treatment. Gouldner (1960) summarized this by stating “there is no duty more indispensable than that of returning a kindness” (p. 161). Social exchange theory and the norm of reciprocity have been used by researchers to describe aspects of motivation and positive employee attitudes (e.g. Rhoades & Eisenberger, 2002; Settoon, Bennett, & Liden, 1996). However, this exchange is not guaranteed in advance (Haar & Spell, 2004) and thus organizations and employees are likely to develop these relationships and exchanges over time, with support and reciprocity leading to greater support from the organization in the future (Haar & Spell, 2004).

POS has been used as a means of operationalizing OST and is conceptualized in terms of SET (Croppanzano & Mitchell, 2005). POS has been defined as “the extent to which employees perceive that their contributions are valued by their organization and that the firm cares about their well-being” (Eisenberger et al., 1986, p. 501). POS has been described as a two way street, where fair exchanges have to be observed by employees in order to instil benefits towards their organizations. Eisenberger et al. (1986) suggested that employees develop beliefs regarding how much they are valued or cared about by their organization. Furthermore, employees take an active interest in how they are regarded by their organization with respect to things like esteem and affiliation (Rhoades & Eisenberger, 2002). Therefore, if the employee perceives that the organization is supporting them they will reciprocate positive feelings towards the organization (Eisenberger et al., 1986; Rhoades & Eisenberger, 2002; Shore & Wayne, 1993). This reciprocation of positive feelings increases the likelihood that the employees will feel obliged to help the organization reach its objectives and outcomes (Eisenberger et al., 1986).

Shore and Shore (1995) suggested that there is a strong relationship between the rewards employees receive and their expectations of POS. This is highly relevant for the present study, considering Maori occupy a higher proportion of unskilled positions in the workforce and, on average, have lower incomes (Statistics New Zealand, 2007b). In their seminal work, Eisenberger et al. (1986) found employees were more committed to the organization when they felt their organization was committed to them. Since this time the literature surrounding POS has grown considerably, with hundreds of studies and two meta-analyses (i.e. Rhoades & Eisenberger, 2002; Riggle et al., 2009) linking POS to many positive outcomes.

In a review of more than 70 research articles, Rhoades and Eisenberger (2002) found POS had strong positive relationship with affective commitment, job satisfaction, positive moods at work, and desire to remain with the organization. POS had medium strength relationships with job involvement, job strain, withdrawal behaviours (e.g. absenteeism and tardiness), and extra role behavior. Furthermore, POS had small, but statistically reliable, relationships with other kinds of performance, continuance commitment, and turnover intentions (Rhoades & Eisenberger, 2002). A more recent meta-analysis by Riggle et al. (2009) used 167 POS studies with samples of up to 42,874 employees (regarding organizational commitment). POS was found to have a strong positive effect of job satisfaction and organizational commitment while having moderate positive effects on employee performance, and strong negative effects on turnover intentions. These meta-analyses show the importance of POS and that it is linked in a positive way to many outcomes.
Despite the strong empirical evidence, the exploration and influence of POS towards minority and indigenous employees is poorly understood. Furthermore, there has also been a lack of research into the area of extending current models of POS to include support for minority or indigenous culture in the workplace. The present study suggests that adding a cultural dimension to organizational support perceptions is needed in order to explore minority and indigenous cultures in otherwise western workplaces, where POS has been well established. The heightened awareness of Maori culture in New Zealand, and suggestions that New Zealand firms are being more responsive to Maori culture in the workplace (Durie, 2003), allows us to test for the potential reciprocation benefits of cultural support.

Perceived Organizational Support for Culture

Cropanzano and Mitchell (2005) stated that “we believe many important components of SET have been overlooked, or simply neglected, that may shed light on organizational phenomena—and at different levels of exchange” (p. 891). Consequently, extending the POS construct has been encouraged. We introduce a new measure called Perceived Organizational Support for Culture (CPOS), based on the seminal work of Eisenberger et al. (1986), and tailored towards cultural values. Calls within the literature for additional types of support that organizations may offer have led to other studies where new models based on SET have been offered and tested. For example, Allen (2001) built her measure of family supportive organization perceptions (FSOP) on POS to generate a new model. FSOP suggests employees develop global perceptions regarding the extent to which the organization is supportive towards family, which leads to reciprocity and enhanced outcomes. Allen’s (2001) study found empirical support for FSOP towards outcomes including job satisfaction and organizational commitment. The benefits of FSOP have been replicated (Behson, 2002), and a recent study by Haar and Roche (2010) on New Zealand employees found that FSOP was also positively related to life satisfaction and negatively related to job burnout.

Lapierre, Spector, Allen, Poelmans, Cooper and O’Driscoll (2008) stated that FSOP “openly acknowledges employees’ family and personal situations by promoting flexibility, tolerance, and support for family needs and obligations” (p. 93). Consequently, the FSOP measure tightens the focus of POS by targeting the role of family support from the organization. We adopt a similar approach towards the support of indigenous culture in the workplace. The present study defines CPOS as relating to the way organizations openly acknowledge employees’ cultural backgrounds, values, and beliefs, by showing support through promoting difference, understanding, tolerance, and support for cultural needs and obligations. Based on the results from meta-analysis (Rhoades & Eisenberger, 2002; Riggie et al., 2009) we expect to find similar effects between CPOS as POS, with CPOS being positively related to job satisfaction and organizational commitment. CPOS relates to employee perceptions about how their cultural values and beliefs are upheld, supported and respected by their organizations and thus higher CPOS should trigger reciprocity beliefs leading to higher job satisfaction and organizational commitment.

Hypotheses: High CPOS will be positively related to (1) job satisfaction and (2) organizational commitment.

In addition to direct effects on job outcomes, we also test the influence towards mental health outcomes. Traditionally, Maori have demonstrated a paucity of wellbeing, for example, being over represented in mental health outcomes including anxiety and depression (Baxter, Kingi, Tapsell, Durie, & McGee, 2006; MaGPIe, 2005). Therefore, testing the potential influence of CPOS towards mental health outcomes is warranted. Rhoades and Eisenberger (2002) stated that “POS is expected to reduce aversive psychological and psychosomatic reactions (i.e., strains) to stressors by indicating the availability of material aid and emotional support when
needed to face high demands at work” (p. 702). Rhoades and Eisenberger (2002) noted that POS could directly reduce stressors and strain, and empirical evidence, while limited, has found support for POS directly influencing mental health outcomes. For example, Cropanzano, Howes, Grandey and Toth (1997) found POS significantly correlated to job burnout, somatic tension and general fatigue, concluding that “if one perceives a supportive environment, stress levels are less intense” (p. 175). Similarly, Jawahar, Stone and Kisamore (2007) found POS significantly correlated to job burnout, somatic tension and general fatigue, concluding that “if one perceives a supportive environment, stress levels are less intense” (p. 175). Similarly, Jawahar, Stone and Kisamore (2007) found direct effects from POS towards emotional exhaustion as did Walters and Raybould (2007). Given there is some empirical evidence to support POS reducing mental health outcomes, we test the influence of CPOS towards emotional exhaustion and stress, hypothesizing higher levels of CPOS will be negatively related to these outcomes.

**Hypotheses:** High CPOS will be negatively related to (3) emotional exhaustion and (4) stress.

**Mediating Effect of POS**

We suggest one criticism of studies seeking to establish new dimensions of POS is the failure to also test for the effects of POS, in effect to establish the unique variance of the specialized SET model. This hypothesis also addresses a limitation of Allen (2001), who failed to test the relationship between FSOP and POS, or establish the distinct nature of the FSOP measure from POS. Some POS researchers have explored the potential overlap of POS with other core constructs such as job satisfaction (Eisenberger, Cummings, Armeli, & Lynch, 1997), stating “POS and overall job satisfaction were found to be strongly related but distinct constructs” (Eisenberger et al., 1997, p. 818). Hence, POS has been found to be related but distinct from other similar constructs.

We suggest, that with CPOS being in effect a sub-set of POS, specifically relating to cultural support, these constructs are likely to be highly related. Consequently, we argue that POS is likely to play some role in the effects of CPOS towards outcomes. One of the few studies that tested FSOP and POS (Behson, 2002), found them to be highly correlated but distinct. As such, critical researchers might speculate what effects POS might play on employee outcomes influenced by FSOP. Importantly, the majority of studies involving FSOP fail to consider the role of POS (Allen, 2001; Behson, 2002; Haar & Roche, 2010; Lapierre et al., 2008), and we seek to address this methodological limitation. In effect, if POS mediates the influence of CPOS, then we can understand that focused measures based on POS may play an indirect rather than direct effect. Thus, we suggest POS may potentially mediate the relationships between CPOS and outcomes, reducing the strength of direct effects. This leads to our last direct hypothesis.

**Hypothesis 5:** POS will mediate the influence of CPOS towards outcomes.

**METHOD**

As Maori only make up a small percentage of the New Zealand workforce, purposeful sampling was undertaken. Various Maori organizations and networks were approached and used to distribute either physical surveys or links to an online survey. Furthermore, research assistants familiar with Maori protocol and with wide extensive connections to Maori employees in both Maori and non-Maori organizations, were used to approach individual Maori employees and organizations to elicit participation. As such, a large number of firms (over 100) from throughout the country were approached and the study, and its requirements (completion of two surveys), were explained to their representatives. Overall, 700 surveys were distributed to potential Maori participants. Surveys were either hand delivered by one of the research assistants and collected by the same researcher, or an email was sent that explained the study and had a link to the survey monkey online survey. From all participants,
data collection was undertaken in two waves, with a one month gap between surveys to eliminate any issues relating to common method variance. Surveys were matched by a unique employee code.

Survey one contained the measures for support (POS and CPOS) and demographic variables. Survey two had the dependent variables (job satisfaction, organizational commitment, emotional exhaustion and stress). In total, 345 Maori employees responded to both surveys (a 49.3% response rate). In total, 84 respondents’ surveys were gathered online. T-tests confirmed that this group were more likely to be female ($t=2.231, p< .05$), be employed in the public sector ($t=2.710, p< .01$) and be older ($t= 3.612, p< .001$). However, there was no significant difference between the online group and respondents filling in physical surveys regarding marital status, education, and tenure. Furthermore, the results did not differ by controlling for this group; hence, we combined all responses. On average participants were 38.9 years old (SD=11.9 years), married (66%), female (62%) and worked in an urban location (82%). Respondents worked 40.1 hours per week (SD=9.7 hours) and had job tenure of 5.3 years (SD=6.4 years), with 18% holding a high school qualification, 14% a technical college qualification, 44% a university degree, and 24% a postgraduate qualification. By industry sector, 22% were private, 8% not-for-profit, and 70% public sector.

Measures

POS was measured with 9-items by Eisenberger et al. (1986) and CPOS was measured with 9-items created for this study, based on Eisenberger et al. (1986), with both measures coded 1=strongly disagree to 5=strongly agree. Questions followed the stem “My organization…”. To test the factor structure of the 18-items, an exploratory factor analysis (principal components, varimax rotation) was run to explore the nature of the measure. Items used, factor analyses outcomes, and reliabilities are shown in Table 1.

<table>
<thead>
<tr>
<th>Questions followed the stem “My Organisation…” and were coded 1=strongly disagree, 5=strongly agree</th>
<th>CPOS</th>
<th>POS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Takes pride in my cultural accomplishments at work</td>
<td>.873</td>
<td>.290</td>
</tr>
<tr>
<td>2. Cares about my cultural satisfaction at work</td>
<td>.868</td>
<td>.325</td>
</tr>
<tr>
<td>3. Values my cultural contributions to its well-being</td>
<td>.853</td>
<td>.327</td>
</tr>
<tr>
<td>4. Really cares about my cultural well-being</td>
<td>.839</td>
<td>.321</td>
</tr>
<tr>
<td>5. Cares about my cultural opinions</td>
<td>.829</td>
<td>.357</td>
</tr>
<tr>
<td>6. Considers my cultural goals and values</td>
<td>.802</td>
<td>.372</td>
</tr>
<tr>
<td>7. Is willing to help me when I need a special favour relating to cultural aspects</td>
<td>.716</td>
<td>.372</td>
</tr>
<tr>
<td>8. Would change my working conditions for the better if possible to help my cultural beliefs</td>
<td>.699</td>
<td>.314</td>
</tr>
<tr>
<td>9. Shows very little cultural concern for me (Rev)</td>
<td>.549</td>
<td>.389</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Questions followed the stem “My Organisation…” and were coded 1=strongly disagree, 5=strongly agree</th>
<th>CPOS</th>
<th>POS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Values my contributions to its well-being</td>
<td>.246</td>
<td>.818</td>
</tr>
<tr>
<td>2. Takes pride in my accomplishments at work</td>
<td>.243</td>
<td>.808</td>
</tr>
<tr>
<td>3. Cares about my opinions</td>
<td>.279</td>
<td>.776</td>
</tr>
<tr>
<td>4. Really cares about my well-being</td>
<td>.368</td>
<td>.744</td>
</tr>
<tr>
<td>5. Considers my goals and values</td>
<td>.345</td>
<td>.722</td>
</tr>
</tbody>
</table>
6. Cares about my general satisfaction at work  
7. Is willing to help me when I need a special favour  
8. Would change my working conditions for the better if possible  
9. Fails to appreciate any extra effort from me (Rev)  

Eigenvalues | 6.497 | 5.523  
Percentage variance | 36.1% | 30.7%  
Number of items in measures | 9-items | 9-items  
Cronbach’s Alpha | .95 | .91  

\( (Rev) = \text{reverse coded item} \)

Job Satisfaction was measured using 5-items from Judge, Bono, Erez and Locke (2005), coded 1=strongly disagree to 5=strongly agree. A sample question is “Most days I am enthusiastic about my work” \( (\alpha = .78) \). Organizational Commitment was measured using 6-items of Meyer, Allen and Smith’s (1993) subscale of organizational commitment towards affective commitment. Responses were coded 1=strongly disagree to 5=strongly agree. A sample item is “I do not feel “emotionally attached” to this organization” (reverse coded) \( (\alpha = .75) \). Emotional Exhaustion was measured with 5-items each by Maslach and Jackson (1981), coded 1=never to 5=always. A sample item is “I feel used up at the end of the workday” (emotional exhaustion) and this measure had a strong internal reliability \( (\alpha = .92) \). Stress was measured with 4-items by Motowidlo, Packard, and Manning (1986), coded 1=strongly disagree to 5=strongly agree. Questions followed the stem “About your work…” and a sample item is “My job is extremely stressful” \( (\alpha = .92) \).

Analysis

Separate hierarchical regressions were conducted to examine CPOS as a predictor of outcomes (Hypotheses 1-4). Step 1 contained the control variables (age, gender, indigenous language, education, and hours worked). Step 2 held the CPOS measure. A total of four regression models were run (job satisfaction, organizational commitment, emotional exhaustion and stress). To test Hypothesis 5 (mediation effects of POS), the steps outlined by Baron and Kenny (1986) were followed. The first two steps required CPOS and POS to be significantly related to each other and the outcome variables. The final step required the predictor variable (CPOS) to be controlled when establishing the connection between the mediator (POS) and outcomes. In situations when all these conditions hold, then at least partial mediation is present. If the predictor variable (CPOS) has non-significant beta weights in the third step, then full mediation is in effect, if beta weights decrease but are still significant, then partial mediation is supported (Liden, Wayne, & Sparrowe, 2000).

RESULTS

Descriptive statistics for the study variables are shown in Table 2.
Table 2. Correlations and Descriptive Statistics of Study Variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>38.9</td>
<td>11.9</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Indigenous Language</td>
<td>2.3</td>
<td>1.2</td>
<td>.14**</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Education</td>
<td>2.7</td>
<td>1.0</td>
<td>.13*</td>
<td>.04</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Hours Worked</td>
<td>40.1</td>
<td>9.7</td>
<td>.27**</td>
<td>.07</td>
<td>.04</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>CPOS</td>
<td>3.5</td>
<td>.89</td>
<td>.18**</td>
<td>-.01</td>
<td>-.05</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
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<td>--</td>
</tr>
<tr>
<td>POS</td>
<td>3.7</td>
<td>.77</td>
<td>-.01</td>
<td>.07</td>
<td>-.03</td>
<td>-.03</td>
<td>.72**</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>3.7</td>
<td>.68</td>
<td>.04</td>
<td>.08</td>
<td>.07</td>
<td>.04</td>
<td>.37**</td>
<td>.54**</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>3.2</td>
<td>.66</td>
<td>.09</td>
<td>.05</td>
<td>.00</td>
<td>.01</td>
<td>.46**</td>
<td>.54**</td>
<td>.48**</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Emotional Exhaustion</td>
<td>2.4</td>
<td>.94</td>
<td>-.05</td>
<td>-.34**</td>
<td>.08</td>
<td>.14*</td>
<td>-.31**</td>
<td>-.30**</td>
<td>-.38**</td>
<td>-.18*</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Stress</td>
<td>2.9</td>
<td>.90</td>
<td>.07</td>
<td>-.15*</td>
<td>.24**</td>
<td>.21**</td>
<td>-.29**</td>
<td>-.22**</td>
<td>-.25**</td>
<td>-.12</td>
<td>.60**</td>
<td>--</td>
</tr>
</tbody>
</table>

N=345, *p<.05, **p<.01
Table 2 shows that POS and CPOS are highly correlated ($r=.72$, $p<.01$), however it is below the threshold of concept redundancy which occurs at $r>.75$ (Morrow, 1983). Overall, CPOS and POS are significantly related to all outcomes (all $p<.01$). These findings also confirm the first two steps of mediation. From the mean scores, we can see the support dimensions are both above the midpoint (3.0) with POS (M=3.7) at a higher level than CPOS (M=3.5), and this difference is significant ($t=4.359$, $p<.001$).

Results of the moderated hierarchical regressions for Hypotheses 1-5 are shown in Table 3.
<table>
<thead>
<tr>
<th>Variables</th>
<th>Job Satisfaction</th>
<th>Organizational Commitment</th>
<th>Emotional Exhaustion</th>
<th>Stress</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
<td>Model 2</td>
<td>Model 1</td>
<td>Model 2</td>
</tr>
<tr>
<td><strong>Step 1: Controls</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>.06</td>
<td>.06</td>
<td>.09</td>
<td>.06</td>
</tr>
<tr>
<td>Gender</td>
<td>.02</td>
<td>.03</td>
<td>-.05</td>
<td>-.04</td>
</tr>
<tr>
<td>Te Reo Language</td>
<td>.05</td>
<td>.05</td>
<td>.03</td>
<td>.03</td>
</tr>
<tr>
<td>Education</td>
<td>.07</td>
<td>.07</td>
<td>-.02</td>
<td>-.01</td>
</tr>
<tr>
<td>Hours Worked</td>
<td>.02</td>
<td>.02</td>
<td>-.03</td>
<td>-.01</td>
</tr>
<tr>
<td>R² change</td>
<td>.02</td>
<td>.01</td>
<td>.01</td>
<td>.01</td>
</tr>
<tr>
<td><strong>Step 2: Predictor</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CPOS</td>
<td>.37***</td>
<td></td>
<td>.51***</td>
<td></td>
</tr>
<tr>
<td>R² change</td>
<td>.12***</td>
<td></td>
<td>.25***</td>
<td></td>
</tr>
<tr>
<td><strong>Step 3: with Mediator</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CPOS</td>
<td></td>
<td>-.03</td>
<td>.21*</td>
<td></td>
</tr>
<tr>
<td>POS</td>
<td>.55***</td>
<td></td>
<td>.41***</td>
<td></td>
</tr>
<tr>
<td>R² change</td>
<td>.28***</td>
<td></td>
<td>.32***</td>
<td></td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>.11</td>
<td>.27</td>
<td>.23</td>
<td>.30</td>
</tr>
</tbody>
</table>

* p< .05, ** p< .01, *** p< .001, Standardized regression coefficients. All significance tests were single-tailed.
The tables show that CPOS is significantly related to job satisfaction ($\beta = .37$, $p < .001$), organizational commitment ($\beta = .51$, $p < .001$), emotional exhaustion ($\beta = -.24$, $p < .001$) and stress ($\beta = -.22$, $p < .01$). From the $R^2$ change figures in Step 2, we see that CPOS accounted for moderate amounts of variance for job satisfaction (12%, $p < .001$), large amounts for organizational commitment (25%, $p < .001$), and small amounts only for emotional exhaustion (5%, $p < .01$) and stress (5%, $p < .001$). Model 2 shows the potential mediating effects of POS, and full mediation is found towards job satisfaction (decrease in beta weight from $\beta = .37$, $p = .001$; to $\beta = -.03$, non-significant), and similarly for emotional exhaustion (decrease in beta weight from $\beta = -.24$, $p = .001$; to $\beta = -.09$, non-significant). This is also evidence of partial mediation towards organizational commitment (decrease in beta weight from $\beta = .51$, $p = .001$; to $\beta = .21$, $p < .05$), and no evidence towards stress, with POS not being a significant predictor. Overall, there is strong support for Hypotheses 1 to 5. The four models were significant and robust ($R^2$ scores between .22 and .33), and the variance inflation factors (VIF) were examined for evidence of multicollinearity, and with VIF values less than 2.1 indicating no evidence of multicollinearity (Ryan, 1997).

**DISCUSSION**

The present study aimed to broaden our understanding of cultural support in the workplace by showing the effects it had on job outcomes and mental health outcomes. The latter is especially important due to the high prevalence of mental health issues amongst Maori. A new measure of cultural POS was created to expand on the existing measure of POS, in answer to calls from researchers (e.g. Cropanzano & Mitchell, 2005). It is clear that Maori play a small, yet significant role in the New Zealand workforce; however, their performance in the workplace needs to be better understood (MSD, 2009). By focusing on cultural support, the present study aimed to refine our understanding of POS towards supporting indigenous employees’ culture in the workplace.

Analysis from the present study shows that the two dimensions of Cultural POS and POS were distinct. Furthermore, while they were highly correlated ($r = .72$, $p < .01$), the confirmatory factor analysis in SEM confirmed a two-dimensional split. As such, there is strong empirical evidence that CPOS and POS are highly related but discrete constructs and this finding aligns with work where the relationships between POS and other core constructs were tested (Eisenberger et al., 1997). Overall, CPOS is significantly related to job satisfaction, organizational commitment, emotional exhaustion and stress, supporting all direct hypotheses. However, exploration of the potential mediation effects showed that POS fully mediated the job satisfaction and emotional exhaustion models, suggesting that for these outcomes, CPOS may work through POS rather than in combination with it.

Furthermore, while POS was found to partially mediate organizational commitment, it held no influence on stress, which runs counter to Cropanzano et al. (1997), although they did not test specifically for stress. These findings support our assertions that studies with new models of POS should also test their effectiveness against POS, to clarify and confirm that new constructs are distinct from POS, and influence outcomes directly beyond the effects of POS. While POS has been found to be a strong predictor of job satisfaction and organizational commitment, which aligns well with meta-analyses (Rhoades & Eisenberger, 2002; Riggle et al., 2009), our findings show that CPOS might work through POS towards job satisfaction, but still has significant direct effects towards organizational commitment.

Our findings of the direct effects of POS towards outcomes also extends the SET literature by confirming strong positive effects from POS towards outcomes amongst...
indigenous employees, which has not previously been explored. This also supports the Maori cultural term *utu*, which relates to reciprocity in social relationships (Jones, Ingham, Davies, & Cram, 2010). Consequently, this study also provides evidence of the cultural universal nature of SET and shows that POS, as a workplace construct, operates similarly within the indigenous cultural setting of New Zealand Maori. Overall, the support for cultural values and beliefs in the New Zealand workplace is likely to have positive direct and indirect effects on outcomes for Maori employees, providing new discoveries within the POS literature.

**Implications**

The measurement of POS and CPOS has implications for researchers seeking to explore new models of SET. We suggest the present study provides evidence that models based closely on POS, but excluding a direct comparison with POS may be mis-specified, and thus potentially overplay the influence of the new construct. As such, we urge researchers to include POS in all such extension studies to ensure that the distinct nature and influence of measures can be determined, at least until effects over and above POS have been well established. There are also implications for Human Resource (HR) managers. The positive outcomes of this study suggest that support for culture is positive for workplace outcomes, the support lending itself to the idea that HR policies need to be culturally specific (Ramamoorthy & Carroll, 1998). Consequently, organizations should understand that extending support to cultural beliefs and values may have additional benefits, over and above those of traditional support perceptions.

Future research could also be extended to other cultural groups within New Zealand, due to the complex and diverse cultural mosaic of the New Zealand workplace (Khawaja et al., 2007). The growing global workforce and globalization have had significant effects on population and cultural diversity, as the population of minority groups continue to move and grow within New Zealand and abroad (Green, López, Wysocki, & Kepner, 2002; Statistics New Zealand, 2007a). These effects could also be extended to other western countries with large proportions of culturally diverse and collectivistic employees. For example, in the US, Hispanics make up 15% of the workforce and Asians 5% (Bureau of Labor Statistics, 2006), and in Australia, while the indigenous population is small at 2.4%, 25% of all residents are overseas born people (Australian Bureau of Statistics, 2006). Similarly, in the UK, 15% of employees are born overseas (Office for National Statistics, 2010). With the workforce populations of western economies growing in diversity, this further highlights the importance of understanding and supporting diversity in the workplace. Given the wide range of minority peoples in the workplace globally, the implications for understanding minorities groups in western economies may become ever more important. Overall, understanding cultural values may enhance many employee outcomes and improve the overall performance of the workforce, and these effects should be of interest to a wide range of western economies, including the US, UK, Europe and Australia, which all have diverse workforces made up of many different ethnicities and cultures.

Future research might also seek to test the potential moderating effects of collectivism, responding to recent findings showing that cultural values can vary within a cultural group (Hofstede, Garibaldi de Hilal, Malvezzi, Tanure, & Vinken, 2010). For example, we might expect CPOS to generate additional felt obligations (Haar & Spell, 2004) amongst Maori who are more culturally aligned (collectivistic in orientation). Indeed, these potential effects are likely to be prevalent in all minority groups mentioned above, and, as such, we suggest including collectivism dimensions as a way of further teasing out effects.
**Limitations**

While the present study benefits from a sample of Maori employees drawn from multiple varied organizations, one limitation was the use of self-reported data. As such, there is always the potential for common method variance. However, data was collected at two time periods to separate predictors and outcomes to reduce this issue. While data collection used purposeful sampling, this was a necessary requirement, given Maori account for only 13% of the New Zealand workforce. Future studies might also test secondary data, including job performance rated by a supervisor to further enhance confidence in these findings. In addition, extending the study to include cultural support for some of New Zealand’s other minority groups would be advantageous, particularly Asian and Pacific Island workers. Exploring the effects on other minority groups in other western economies (e.g. US, UK, Australia) would also be beneficial.

**Conclusion**

In conclusion, the present study provides support for extending the POS construct into support for indigenous employees’ cultural values and beliefs. Furthermore, we addressed previous deficiencies by including POS in our study to both ensure the unique dimensionality of the constructs (CPOS and POS), as well as testing the effects of these support measures together. While POS fully mediated two outcomes, it only partially mediated organizational commitment, showing that this attitude is also directly influenced by CPOS. Furthermore, while CPOS was negatively linked to stress, POS had no influence, suggesting some outcomes may be influenced by CPOS and not POS. Clearly, further exploration and testing is required, but overall, the present study makes a unique contribution and pushes the importance of SET constructs on indigenous employees, which provides new knowledge.

**REFERENCES**


RELATIONAL AMBIVALENCE WITH MANAGERS: EXPLORING DIACHRONIC EVENTS THAT SUSTAIN AND CHANGE EMPLOYEE PERCEPTIONS OF RELATIONSHIP QUALITY AT WORK

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ABSTRACT

This study employs a novel approach to relationships with managers in organizations by introducing the concept of relational ambivalence. Through the use of experience sampling methodology, I reveal that, unlike positive and negative valuations of relationship quality, ambivalent valuations, at least in their intensity, are less stable from one observation to the next. In doing so, I uncover how employee initiated organizational citizenship behaviors and manager-induced psychological contract violations aggravate the discomfort associated with ambivalence while forgiveness attenuates such distress. I also explore how these time-ordered events within the manager-employee relationship work to create such valuation and determine that this valuation moderates employee behavioral and self-regulatory responses to subsequent manager-induced psychological contract violations. The primary theoretical operates comprising this research are social exchange (Blau, 1964), cognitive dissonance (Festinger, 1957), and interdependence theory (Rusbult & van Lange, 2003).

Keywords: social exchange, ambivalence, interdependence, cognitive dissonance, psychological contract violation
LEADERSHIP COMPLEXITY AND LEADER-MEMBER EXCHANGE: THE CASE OF VIRTUAL TEAMS

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ABSTRACT

E-leadership has emerged in virtual team literature as an important determinant of relationship building. However, the way e-leaders develop high quality relationship between virtual team members is little understood. The purpose of this paper is to identify the key roles that enable e-leaders to build high-quality exchanges with their team members. We use the behavioral complexity theory to analyze the roles played by leaders of virtual teams, and helping them to develop effective leader-member exchanges (LMX). We draw up a research model to explain how e-leaders build cooperative and collaborative relationships through social-related and work-related activities. We then test the research model using a large survey of 193 virtual team members. Our findings show that apart from coordination and monitoring roles, open systems roles, roles of rational pursuit of goals and human relations roles have a positive and significant effect on LMX.

Keywords: Behavioral complexity theory, LMX theory, e-leaders’ roles, structural equation modeling.

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Introduction

The virtual team—teams of individuals who are distributed at different physical locations and are heavily reliant on communication technology to collaborate (Jarvenpaa & Leidner, 1999; Martins et al., 2004; Maruping & Agarwal, 2004)—is fast becoming the design form of choice for organizations wishing to enhance their performance. The advantages of this form of organizing work can be seen at several levels. First, teams have better informational resources than individuals and, thus, are better-suited for managing high decision-making processes complexity (Boh et al., 2007; Dennis, 1996). Second, advances in communication technologies have made it possible to draw upon expertise, regardless of where it resides, to interdependently integrate their knowledge in solving problems (Boh et al., 2007; Kirkman et al., 2004). Yet, while this form of organizing work holds significant appeal, it has also been associated with a number of challenges. Virtual teams have been associated with increased levels of interpersonal friction (e.g., Hinds & Bailey, 2003; Jarvenpaa & Leidner, 1999; Maruping & Agarwal, 2004), poor coordination (e.g., Cranton, 2001; Espinosa et al., 2007; Maznevski & Chudoba, 2000), and, consequently, lower performance (e.g., Alnuaimi et al., 2010; Andres, 2002; Kirkman et al., 2004; Straus & McGrath, 1994). As a result of these shortcomings, there has been significant interest in the role that leadership can play in alleviating the challenges posed by distributed forms of organizing such as relationship development (Martins et al., 2004; Morgeson et al., 2010).

Jarvenpaa et al. (1998), for example, found that teams with a leader develop a higher level of trust than teams without leaders. The mechanisms that help e-leaders to build effective relationships were not explained, however. Thus, the question arises as to what actions and behaviors e-leaders use to develop high quality exchanges with their team members. We believe that this issue needs to be analyzed for a number of reasons.

In effect, we noted that several studies in the leadership literature were interested in exchange between team leaders and members (LMX) (Brower et al., 2000; Schriecheim, 1999) but few identified the factors that influenced them. Prior research has tended to focus on identifying LMX dimensions or developing relevant instruments to empirically test the concept. However, little attention has been paid to the variables that determine the quality and nature of relationships between leaders and their team members. Among these variables, leaders’ characteristics seem to be a key determinant of LMX (Dienesh and Liden, 1986). In addition, to the best of our knowledge, these questions have never been investigated in the virtual context.

This paper thus aims to address two gaps in the literature. First, we analyze how leaders’ actions and behaviors shape their relationships with their team members and second, we study the question in the context of virtual teams. Our purpose is to identify the key elements that enable e-leaders to develop high-quality exchanges with their team members. Our study thus contributes to both leadership and virtual team literature and management.

To this end, we built a research model based on two well-established theories of organizational leadership. First, LMX theory is used to analyze the characteristics of the relationships between e-leaders and virtual team members. Second, behavioral complexity (BCT) theory is used to identify the key roles played by e-leaders in developing high quality exchanges with their team members. The stages of our research model-building are presented in the following section. We empirically tested the model via a survey involving virtual team members. The data collection and analysis are presented in section 3 and are followed by a presentation of the results. In the fifth section, we discuss our findings and compare them with
the results of previous studies. Finally, we conclude with the implications of our findings on
the theory and management of virtual teams as well as the study’s limitations and its possible
future extensions.

Theoretical foundations

*LMX in virtual teams*

LMX is a leadership theory that focuses on the relationship between leaders and their
subordinates and its consequences on individual and organizational outcomes (Brower et al.,
2000; Dansereau et al., 1995). According to the LMX theory, “effective leadership processes
occur when leaders and followers are able to develop mature leadership relationships
(partnerships) and thus gain access to the many benefits these relationships bring” (Graen

Rooted in social exchanges and Katz and Kahn’s role theory (1978), LMX theory states that
the accomplishment of roles by leaders and members results in differentiated relationships
between them. Thus, LMX theory is interested in the nature of the relationship that
consequently occurs between the two parties (Uhl-Bien, 2006). It is possibly the most
frequently studied theory in organizational leadership literature (Schiersheim, 1999). Previous
studies on LMX have focused on identifying its dimensions and determinants, and its effects
on organizational outcomes. Lively debate has arisen from LMX dimensionality as early
studies considered the relationship as multidimensional (Dienesh and Liden, 1986;
Schiersheim *et al.*, 1999). However, no consensus was found regarding LMX
multidimensionality or the number of its dimensions. To resolve this issue and given
empirical results of previous studies, Graen and Uhl-Bien (1995) suggested that the LMX
dimensions are correlated in such a way that we can consider it as a one-dimensional concept.
High-quality LMX is thus characterized by trust, respect and mutual obligation between
leaders and members.

With regard to the LMX impact on organizational processes, variables analyzed to date have
included communication frequency, interaction styles, congruence between leaders’ and
members’ values, decision-making processes, etc. (Erdogan and Liden, 2006; Liden *et al*.,
2000; Sparrowe and Liden, 2005; Yrle *et al*., 2003; Zhou and Schiersheim, 2009) The results
of these studies indicate that mutuality and high-quality LMX lead to positive outcomes,
namely, high work performance, member satisfaction, and strong commitment to the work
unit (Butler *et al*., 1992; Yammarino and Dubinsky, 1992).

We should note that there is also lively debate in LMX literature concerning how the concept
should be measured. Indeed, different scales have been developed and used in empirical
studies, involving from 2 to 14 items. Such studies finally recommend the 7-item scale as the
one which provides the greatest reliability and extracted variance of factors. In addition, this
scale correlates with other scales used (Graen and Uhl-Bien, 1995). We therefore adopted this
scale in our empirical study to test the effects of leader’s behavioral complexity on LMX.

To build our research model, we analyzed the developmental model of LMX suggested by
Dienesh and Liden (1986). This model describes LMX building as a process which includes
leaders’ and members’ characteristics together with their interactions as inputs (Valcea *et al*.,
2009). The nature and quality of their relationships (the output) result from the interaction
between leaders and members’ behaviors and attributions under the effects of psychological
mechanisms (Steiner, 1997). However, neither the behaviors nor the actions of leaders or
members are specified. The present paper attempts to fill this gap in the literature and to
analyze how leaders’ actions influence their relationship with their team members in the specific context of virtual teams.

In effect, in the virtual environment, ordinary relationship development conditions are missing. Direct and face-to-face contacts are replaced by electronic interactions. Proximity is substituted by members’ dispersion and physical separation. This raises challenges related to lack of knowledge between members (including leaders) and difficulties in building trusting and effective relationships (Pauleen, 2003-04; Purvanova and Bono, 2009). It is therefore very important to see how LMX is built in virtual teams, and how e-leaders actions and behaviors influence it.

**Behavioral complexity of e-leaders**

Complexity theory of leadership is a recent approach, providing an integrative theoretical framework of previous leadership theory (such as traits theory, behavioral theory and contingency theory) (Lischtenstein et al., 2006; Uhl-bien and Marion, 2009). It is rooted in the complexity theory of adaptive systems (Schneider and Sommers, 2006) which focuses on the interaction and dynamics of such systems (Hogue and Lord, 2007; Hunter et al., 2009; Uhl-Bien et al., 2007). It, thus, provides a dynamic framework for studying leadership in different contexts.

Applied to the field of leadership, complexity theory implies that leaders need to develop cognitive and behavioral skills to manage all situations (complex and contradictory) in their environment. To this end, “effective leaders must be the ability to both conceive and perform multiple and contradictory roles” (Denison et al., 1995, p: 525). Complexity theory of leadership is hence based on both cognitive and behavioral complexity (Hooijberg, 1997).

Cognitive complexity describes human information processing and the individual ability to deal with a set of ambiguous and contradictory forces. It concerns “the ability to hold two opposing ideas in the mind at the same time and still be capable of retaining the ability to function” (Carmeli and Halevi, 2009, p: 209). Moreover, the behavioral complexity of leaders is the ability to develop and perform multiple roles that may be simultaneously conflicting.

Behavioral complexity is based on two key concepts: behavioral repertoire and behavioral differentiation (Wu et al., 2009). The former refers to a portfolio of contradictory and complementary roles performed by leaders. The latter refers to their ability to switch from one role to another to deal in paradoxical situations. In this regard, behavioral differentiation is linked to cognitive complexity as it implies the ability to assimilate paradoxical situations and retain a certain level of integrity and reliability. Expressed differently, behavioral complexity in leadership consists of building a behavioral repertoire of contradictory and complementary behaviors using behavioral differentiation/integration movements to perform them (Hooijberg et al., 1997).

To define the behaviors that comprise the repertoire of effective leaders, Denison et al., (1995) used Quinn’s model of leadership roles (1984, 1988). In this spatial model, two dimensions are borrowed from the Competing Value Model of organizational effectiveness: stability versus flexibility, and external focus versus internal focus. These dimensions express the contradiction and paradoxes in leaders’ behavioral repertoires, comprising the four following categories of role:

- Open systems roles: behaviors included in this category enable leaders to adapt to the organization’s external environment. It encompasses two roles: innovator-leaders are those characterized by high creativity and vision. They encourage and facilitate

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change and anticipate members’ needs (Lawrence et al., 2009). The broker role focuses on acquiring resources and representing the unit with regard to external network contacts (Denison et al., 1995).

- Roles of rational pursuit of goals: this category includes stable roles with an external focus. It emphasizes behaviors that enable leaders to introduce initiatives, define goals and motivate team members to reach these goals. Two additional roles are defined in this category. The leader-producer initiates actions that encourage and facilitate the effective completion of work. The director role concerns goal definition, task repartition, and clarification and specification of expectations.

- Internal process roles: these focus on initiatives enabling internal control and providing the unit with stability. They are achieved through coordination and monitoring roles. The leader-coordinator establishes coordination mechanisms and activity planning, manages problems and conflicts, and controls compliance with rules and standards. The monitoring role encompasses information management. The leader-monitor collects and provides information for the teams members regarding task accomplishment and evaluates performance.

- Human relation roles: this category emphasizes human interactions and processes. Roles in this category are interested in relationship building and development. They incorporate facilitation and mentoring. Leader-facilitators show concern for their team members and encourage self-expression and participation. Mentoring roles encourage individual development, support legitimate requests and develop awareness of individual needs.

While the roles specified for each category are not really contradictory, there is nonetheless some paradox and contradiction in the formulation of roles between categories. In this regard, roles of rational pursuit of goals (producer and director) contrast with human relation roles (facilitator and mentor), while internal process roles (coordinator and monitor) contrast with open system roles (innovator and broker) (Denison et al., 1995). According to Lawrence et al. (2009), leaders who can balance or diversify their behaviors are expected to have a high degree of behavioral complexity and are better able to meet organizational demands. For these reasons, applying the concept of behavioral complexity to virtual team leaders, we argue that e-leaders need to excel in each category of role in order to build strong relationships and high-quality exchanges.

**Research model**

Given the ambiguity of the virtual context due to lack of information about team members and their dispersion, e-leaders’ behavioral complexity becomes increasingly important to enhance their abilities to build effective relationships. Performing paradoxical and complementary roles enables e-leaders to deal with problems of limited (and even impossible) face-to-face interaction, lack of knowledge among team members and the geographical and temporal separation that hampers relationship development, and effective and collaborative exchanges.

We should note at this level of analysis that although the behavioral complexity model developed by Denison et al. (1995) identifies 8 roles grouped into 4 categories, recent testing of the model by Lawrence et al., (2009) supported the 4-category structure. For this reason, we have applied the 4-category model to test the effects of open systems roles, roles of rational pursuit of goals, internal process roles and human relation roles on LMX.
First, we argue that open systems behaviors of e-leaders have a positive impact on LMX. However we posit that this impact does not strongly influence LMX quality. Rather, it is the team members’ perceptions that enhance their relationship with e-leaders. Perceptions of e-leaders as innovators and brokers positively influence their image among their team members. In this sense, when team members perceive their e-leaders as creative, facilitators of change, and effectively representing the team, they form a positive attitude about them, and this is expected to facilitate relationship building. Thus, we believe that although this category of role positively influences LMX, its impact on LMX is weak as it has an external focus and does not emphasize internal processes and relationship management. Given these arguments, we posit that:

**H1: Open system roles positively influence leader-member exchange in virtual teams.**

Second, with regard to prior literature on relationship building in virtual teams, roles of rational pursuit of goals are expected to have an important effect on LMX. Indeed, several studies have found that work-focused actions are positively perceived by virtual team members and contribute to the development of good relationships. In addition, trust relationships are built through goal setting, clarifying expectations, clear task repartition and motivating work-related messages (Iaconon and Weisband, 1997; Jarvenpaa et al., 1998). This clearly corresponds to the producer and director roles acknowledged by behavioral complexity theory. Thus, we posit that:

**H2: Roles of rational pursuit of goals positively influence leader-member exchange in virtual teams.**

The third category of roles concerns the internal processes of virtual teams. Like the previous category, internal process roles are expected to establish high-quality exchanges between e-leaders and members. Coordination and monitoring roles aim at developing behaviors and work rules through activity planning, coordination mechanisms, information distribution, and performance evaluation. Regular application of these activities leads to the development of work habits that are accepted and shared by all team members, reinforcing their cohesion. We can subsequently posit that:

**H3: Internal process roles positively influence leader-member exchange in virtual teams.**

Human relation roles are at the heart of high-quality LMX building. Through their role as facilitator and mentor, e-leaders encourage the expression of opinions, establish consensus, support individual development and manage differences. In this way, e-leaders enhance team cohesion and build a collective identity (Fiol and O’Connor, 2005). These factors also contribute to strengthening links between team members and building high-quality exchanges with their leaders. The following hypothesis is then formulated:

**H4: Human relation roles positively influence leader-member exchange in virtual teams.**

We summarize our arguments in the following figure describing our research model.

**Figure 1: A proposed model of leadership behavioral complexity effects on LMX**
Method

To test our research hypothesis, we conducted a quantitative study using a large survey of virtual team members. The data collected was then analyzed in two main stages: factor analysis to evaluate dimensionality and reliability of measured variables, and structural equation modeling to test the research theoretical model. In this section, we successively describe our sample, the data collection procedure and the stages of data analysis.

Data collection

The survey lasted 4 months (from March to June 2008). The questionnaire was administrated in a well known French training center receiving both French and international trainees. It was distributed by the trainers in each session they animate and to different public. 1000 questionnaires were distributed to all trainees. To distinguish virtual team members from non virtual members, we added at the beginning of the questionnaire the following question: “Was/Are you a member of a virtual team?”. Following this procedure we collect a total number of 600 responses from which only 300 concern virtual team members. So, the response rate was about 30%. However, only 193 were well filled and then exploitable.

The descriptive statistics show that the sample is almost equally composed of male (47%) and female (53%) respondents. Most respondents were between 36-50 years old (48%) and operate in the industrial sector (41%). 72% of the population works in project-organized sectors. From this number, 50% work with members outside their country of origin and the remaining 50% with members located in the same country (but in separated localization). In other words, the individuals in our sample come from highly diversified teams, crossing organizational and cultural boundaries.

To operationalize the concept measured, we use existing survey of LMX and BCT used in previous leadership literature and we adapted them to the virtual context. The LMX construct was measured on a five-point Likert scale, using Graen and Uhl-Bien’s (1995) recommended 7-item scale. This scale was used to assess members’ perceptions of the quality of leader–member exchange. It was administrated as follows:

*LMX1:* Do you know where you stand with your leader….do you usually know how satisfied your leader is with what you do?

*LMX2:* How well does your leader understand your job problems and needs?

*LMX3:* How well does your leader recognize your potential?

*LMX4:* Regardless of how much power your leader has built into his/her position, would he/she be personally inclined to use his/her power to help you solve problems in your work?

*LMX5:* I have enough confidence in my leader that I would defend and justify his/her decision if he/she were not present to do so?

*LMX6:* I usually know where I stand with my leader.

*LMX7:* How would you characterize your working relationship with your leader?

Leadership roles were assessed using Denison et al.’s (1995) scale. For each category of role, 4 items were developed:

*Open Systems roles*
- Comes up with inventive ideas
- Experiments with new concepts and ideas
- Exerts upward influence in the organization
- Influences decisions made at higher levels

**Rational Pursuit of Goals roles**
- Sees that the unit delivers on stated goals
- Gets the unit to meet expected goals
- Makes the unit’s role very clear
- Clarifies unit’s priorities and directions

**Internal Process roles**
- Anticipate workflow problems, avoid crisis
- Brings a sense of order into the unit
- Maintains tight logistical control
- Compares records, reports, and so on to detect discrepancies

**Human Relations roles**
- Surfaces key differences among group members, then work anticipatively to resolve them
- Encourages participative decision-making in the group
- Shows empathy and concern in dealing with subordinates
- Treats each individual in a sensitive, caring way

**Data analysis**

Data analysis was performed in three stages: exploratory factor analysis (EFA), confirmatory factor analysis (CFA) and model testing through structural equation modeling. To purify and specify internal scale structure, an SPSS-based principal component exploratory factor analysis was performed on each measurement scale without specifying the number of factors to be extracted. The test of Kaiser, Meyer and Olkin (KMO), as well as Bartlett’s test of sphericity, enabled us to check the data’s ability to be factored. Factor analysis was deemed appropriate for both measurement scales in our data set.

Following this, a confirmatory factorial analysis was conducted using STATISTICA 7.0 (StatSoft, Tulsa, OK). The model’s overall validity was appraised based on the following goodness-of-fit indices: Chi-square value normalized by degrees of freedom ($\chi^2$/df.), goodness-of-fit index (GFI), incremental fit index (IFI), comparative fit index (CFI), and root mean square error of approximation (RMSEA).

Using Structural Equation Modeling, the structural paths were estimated using a maximum likelihood estimation method and a correlation matrix as input data. Open systems, rational pursuit of goals, internal processes and human relations roles were included as exogenous variables, and the Leader-Member exchange quality as latent endogenous variable.

**Results**

The EFA performed on the LMX items yields a one-factor variable, which accounts for about 62% of the variance. Examination of the data revealed a KMO measure of sampling adequacy of .850, with a highly significant Bartlett’s test of sphericity ($\chi^2_{10} = 365.83, p = 0.000$). Two of the seven items measuring the LMX construct were dropped from further analysis because they had factor loadings below 0.50. The items eliminated were “Regardless of how much formal authority he/she has build into his/her position, what are the chances your leader would use his/her power to help you solve problems in your work?” and “Again, regardless of the amount of formal authority your leader has, what are the chances that he/she would ‘bail
you out’ at his/her expense?”. There are two possible explanations for the elimination of these items. First, the respondents in our sample do not perceive their leaders as helpful in difficult situations or as making a positive contribution to problem solving. Second, given the formulation of the items (formal authority, use his/her power), e-leaders may be perceived as helpful and reliable regardless of their authority and power. In this sense, the association between e-leaders’ power and their ability to manage their team members’ problems may bias the answers. Given the role analysis results (that we discuss later), we believe that the second explanation is the most likely in this case.

The EFA performed on the leader role items produced a four-dimensional solution, which cumulatively explained 75.54% of the variance. Five of the sixteen items initially analyzed had to be eliminated because they either had low-factor contributions (below 0.50) or, on the contrary, their contributions were split among several factors. Two of the eliminated items concern the innovator roles (as defined by Denison et al. (1995)). Elimination of these items shows that virtual team members from our sample do not perceive their leaders as innovators. Hence, the remaining analysis only tested the effects of the broker role on LMX quality. The KMO measure of the sampling adequacy was 0.75, and the Bartlett test of sphericity was significant ($\chi^2_{55} = 926.95, p = 0.000$), providing support for the applicability of factor analysis. Items dropped from analysis are specified in table 1.

For both LMX and behavioral complexity constructs, reliability was evaluated by assessing the internal consistency of the items representing each construct using Cronbach’s alpha (1951). The constructs exhibited sufficient reliability, ranging from .72 to .88 (see table 1). These results enabled us to perform confirmatory factor analysis.

As shown in Table 1, all goodness-of-fit indices surpassed the common acceptance levels, indicating that the model fits well the data.

Both the convergent and discriminant validities were controlled for. Estimations of average variance extracted from all constructs were generally higher than 0.50, except for internal process roles, which were slightly below the recommended cut-off value. This indicates that the measurement model has good convergent validity. Discriminant validity was tested by comparing the shared variance among any two constructs (i.e., the square of their inter-correlation) with the corresponding figure for convergent validity (Fornell & Larcker, 1981). The results supported discriminant validity between each possible pair of latent constructs (see Table 2).

**Table 1. Results of confirmatory factor analysis**

<table>
<thead>
<tr>
<th>Latent construct and items</th>
<th>Factor loading</th>
<th>Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leader-Member exchange quality (LMX-Q)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do you know where you stand with your leader….do you usually know how satisfied your leader is with what you do?</td>
<td>0.680</td>
<td></td>
</tr>
<tr>
<td>How well does your leader understand your job problems and needs?</td>
<td>0.779</td>
<td>0.84</td>
</tr>
<tr>
<td>How well does your leader recognize your potential?</td>
<td>0.722</td>
<td></td>
</tr>
<tr>
<td>Regardless of how much power your leader has built into his/her position, would he/she be personally inclined to use his/her power to help you solve problems in your work?</td>
<td>Dropped</td>
<td></td>
</tr>
<tr>
<td>I have enough confidence in my leader that I would defend and justify his/her decision if he/she were not present to do so?</td>
<td>0.703</td>
<td></td>
</tr>
<tr>
<td>I usually know where I stand with my leader.</td>
<td>Dropped</td>
<td></td>
</tr>
<tr>
<td>How would you characterize your working relationship with your leader?</td>
<td>0.744</td>
<td></td>
</tr>
</tbody>
</table>
Open Systems roles (OS)
- Comes up with inventive ideas
- Experiments with new concepts and idea
- Exerts upward influence in the organization: 0.976
- Influences decisions made at higher levels: 0.805

Rational Pursuit of Goals roles (RPG)
- Sees that the unit delivers on stated goals: 0.869
- Gets the unit to meet expected goals: 0.882
- Makes the unit's role very clear: 0.646
- Clarifies unit’s priorities and directions

Internal Process roles (IP)
- Anticipate workflow problems, avoid crisis
- Brings a sense of order into the unit: 0.740
- Maintains tight logistical control: 0.733
- Compares records, reports, and so on to detect discrepancies: 0.584

Human Relations roles (HR)
- Surfaces key differences among group members, then work anticipatively to resolve them
- Encourages participative decision-making in the group: 0.635
- Shows empathy and concern in dealing with subordinates: 0.779
- Treats each individual in a sensitive, caring way: 0.871

Goodness-of-fit indices
- $\chi^2$/df: 1.91
- GFI: .90
- IFI: .94
- CFI: .94
- RMSEA: .064

Table 2. Means, standard deviations and correlation of construct

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>LMX-Q</th>
<th>RPG</th>
<th>HR</th>
<th>IP</th>
<th>OS</th>
</tr>
</thead>
<tbody>
<tr>
<td>LMX-Q</td>
<td>3.60</td>
<td>0.71</td>
<td>0.73</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RPG</td>
<td>3.81</td>
<td>0.84</td>
<td>0.527*</td>
<td>0.81</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR</td>
<td>3.36</td>
<td>0.89</td>
<td>0.562**</td>
<td>0.422**</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IP</td>
<td>3.11</td>
<td>0.89</td>
<td>0.274**</td>
<td>0.457**</td>
<td>0.335**</td>
<td>0.69</td>
<td></td>
</tr>
<tr>
<td>OS</td>
<td>3.46</td>
<td>0.98</td>
<td>0.254**</td>
<td>0.231**</td>
<td>0.181*</td>
<td>0.291**</td>
<td>0.89</td>
</tr>
</tbody>
</table>

Note: * Correlation is significant at the 0.05 level
** Correlation is significant at the 0.01 level
1Diagonal elements in the correlation matrix are the square root of the average variance extracted. For adequate discriminant validity, diagonal elements should be greater than corresponding off-diagonal elements.

Hypothesis testing through structural equation modeling supports H1, H2, and H4 and rejects H3. The Leader-Member exchange quality ($R^2 = .58$) is significantly predicted by open
systems roles, and more specifically by the broker’s role ($\beta_1 = .17$, $p = .011$), roles of rational pursuit of goals ($\beta_2 = .38$, $p = .000$), and human relations roles ($\beta_4 = .51$, $p = .000$). All the confirmed hypotheses are supported at the .01 level. However, a negative and non significant link was found between internal process roles and LMX quality ($\beta_3 = -.08$, $p = .384$). In the following section, we explain these results and compare them with those of previous studies.

**Discussion**

This paper attempted to identify the key roles enabling leaders of virtual teams to establish effective and high-quality relationships with their team members. Based on the behavioral complexity theory of leadership, we postulated that open system roles, roles of rational pursuit of goals, internal process roles and human relation roles help e-leaders to develop effective relationship management in their teams. Our results show that, apart from internal process roles, all other roles positively and significantly influence LMX.

According to our findings, coordination and monitoring roles are not key elements in relationship building in virtual teams. One explanation for this is that internal process roles focus on coordination and control mechanisms. These roles may be negatively perceived by team members as they tend to identify undesirable behaviors (such as absenteeism). According to Piccoli and Yves (2003), behavior control mechanisms are negatively perceived by virtual team members and contribute to a decline in trust as they highlight individuals’ incapacity to fulfill their obligations and participate in work achievements.

Our results also emphasize the contribution of roles of rational pursuit of goals to enhance LMX. This is consistent with previous studies, such as Jarvenpaa et al. (1998) and Jarvenpaa and Leidner (1999) who showed that trusty relationships are constructed when e-leaders clarify work goals, perform task repartition, set up shared work and communication norms, and ensure regular interaction and immediate feedback. Although no reference is made to behavioral complexity theory in these studies, we can see that such activities fall into the category of rational pursuit of goals. In addition, Beranek (2000) found that the emergence of a leader in virtual teams who sets up functioning mechanisms and clarifies work rules contributes to the building of trusty relationships.

This study also shows that effective conflict and crisis management by e-leaders helps them to develop effective exchanges. This finding directly indicates facilitator roles included in human relation roles also confirmed in our results. Indeed, we find that human relation behaviors that are shaped via mentoring and facilitation positively influence LMX. This result is not surprising as this category of roles is exclusively interested in relationship building and is expected to have the most significant impact. Similarly, it is confirmed by our study as the $\beta$ coefficient is the highest ($\beta_4 = .51$), indicating that these roles are the most important predictor of LMX quality.

This finding is also confirmed by Kayworth and Leidner (2001-2002) and Larsen and McInerney (2002), even though they did not explicitly analyze LMX. Kayworth and Leidner (2001-2002) highlighted the importance of building and developing team cohesion to maintain high-quality relations. They also found that effective leaders displayed a high degree of empathy towards their team members. Larsen and McInerney (2002) emphasized the contribution of mentoring roles to avoid a decline of trust in virtual teams.

Regarding open system roles, as the innovator role was eliminated from factor analysis, our results only concern the broker role. Although a positive and significant link is revealed between this role and LMX, the $\beta$ coefficient is low. This means that resource acquisition and
team representation in external networks are not perceived as key determinants of LMX. This is not really surprising as this category of roles has an external focus whereas relationship management is an internal function. Thus, they are not expected to play an important role in building high-quality exchanges.

Overall, our results are consistent with previous research and provide additional validation of behavioral complexity theory in virtual contexts (Kayworth and Leidner, 2001-2002; Yoo and Alavi, 2002). Regarding the contribution of behavioral complexity to LMX building, we only found one study that confirms our findings. Wu et al. (2009) suggest that developing a behavioral repertoire enables supply managers to have a good relationship with suppliers. This finding should be treated with caution, however, as it concerns face-to-face contexts and may not be true in virtual teams.

Our results provide significant insights into virtual team management and literature that we discuss in the conclusion. We also identify some limitations that may be addressed in future studies.

**Conclusion**

**Research contributions**

The results of this study contribute to both the literature and the management of virtual teams. In theoretical terms, we linked and tested two leadership theories through our research model. LMX theory and behavioral complexity theory were used to build a model that identifies key roles enabling e-leaders to develop high-quality exchanges in their teams. The results of the hypotheses testing (goodness-of-fit, convergent and discriminate validity) prove the parsimony and robustness of the model. However, as it is the first essay in virtual team literature, it needs to be validated by further research.

In addition, concerning open system roles, the elimination of the innovator role and the low β coefficient of the broker role raise questions regarding the contribution of this category of roles to relationship management in virtual teams. Future work could help to confirm this low contribution and subsequently to drop open system roles from the model to enhance its parsimony.

In managerial terms, our study identifies a key finding concerning factors influencing relationship-building in virtual teams. Indeed, the high correlation between human relation roles and LMX quality suggests that, according to our respondents, high-quality exchanges are established when e-leaders show concern and empathy towards their team members and encourage individual development and self expression. Although this result does not correlate with previous studies, it nonetheless gives important insights into virtual team management. E-leaders should no longer focus only on task-related activities (goal clarification, task repartition, etc.) as recommended by previous studies. They should also pay close attention to socially-related activities to motivate team members and enhance their involvement and participation in effective work achievement. This recommendation is strengthened by the absence of a significant impact of internal process roles and the low impact of rational pursuit of goals and open systems roles. We call for further testing on the impact of human relation roles to generalize the result.

These results also emphasize important characteristics of technologies provided to virtual team members and e-leaders to communicate and to coordinate work. These technologies have to facilitate relationship building through possible transmission of needed elements to build trustworthy and cooperative relationships such as facial expression, voice tone, etc. Expressed
differently, ICT would have a high richness level (Daft and Lengel, 1984, 1986) to enable social information exchanges.

According to Kirkman and Mathieu (2005), work coordination and accomplishment are enabled through high informational value ICT. This means that ICT used by virtual team members have to be adapted to task activities performed (analytical or technical tasks). With relation to our study, high informational value technologies would help e-leaders to enhance production and direction roles accomplishment, dealing with task repartition, goal setting, etc. It would then consolidate the effect of rational pursuit of goal roles on LMX.

**Limitations and future extensions**

Despite the significant insights provided by our study, a number of limitations should be noted to enhance future research on LMX and behavioral complexity in virtual teams. First, we would draw attention to a problem of compatibility between LMX theory and behavioral complexity theory. According to Graen and Uhl-Bien (1995), LMX is classified in the domain of relationship theories, while behavioral complexity belongs to the domain of leadership theories. Each domain has its own specific focus, which differ from one another. LMX focuses on the relationship between leaders and subordinates and its outcomes on both parties. Behavioral complexity theory focuses on leaders’ characteristics and actions, and their effects. In addition, behavioral complexity theory is considered as a dynamic theory (Osborn and Hunt, 2007; Uhl-Bien and Marion, 2009), whereas LMX is considered as a more static theory. Hence, we call on future research to identify greater levels of compatibility between the two theories to avoid issues with the validity of findings.

From a methodological point of view, the data collected via the survey is extremely heterogeneous. Our sample is composed of virtual team members attending a training session from a range of activity sectors. We believe, however, that more homogeneous data could provide more relevant results. In addition, as our study is exploratory, we would like to add more qualitative data to help us to better understand relationship-building mechanisms from a behavioral complexity perspective before applying quantitative methods. Moreover, the data gathered only describes team members’ perceptions of LMX and their leaders’ roles. It would be interesting in future work to analyze leaders’ perceptions of their contribution to relationship management in the team and to compare these findings with the members’ perceptions (Zhou and Schreisheim, 2009).

Further research could be undertaken in the following areas. First, as relationship building is a continuous process, we believe that a longitudinal study (qualitative or quantitative) may provide more interesting results. A longitudinal study, for example, could illustrate how exchanges evolve over time and how the leaders’ behaviors affect such relations. Second, as the functioning of virtual teams is based on information and communication technologies, we suggest that the integration of leaders’ communication behaviors (interaction rhythm and style, communication nature, feedback nature and rhythm) may provide important insights into relationship dynamics (Sudweeks and Simoff, 2005). In this regard, we believe that the extension of behavioral complexity theory to include the communicator role of e-leaders would be interesting to enhance the results of future studies (Lawrence et al., 2009). Third, the effect of virtuality on e-leaders’ contributions to LMX building could also be investigated. Previous research has suggested that virtuality plays a moderating role on team dynamics. We recommend that future work investigates how distance between members, communication frequency, the synchronicity of exchanges, etc. influence e-leaders’ behaviors and their contribution to relationship management. In this sense, both LMX and BCT theories, initially developed for face-to-face teams, could be adapted to the virtual context and take into
account virtual teams specificities regarding ICT used to communicate, how they are used, with which frequency, etc.
Finally, we believe that an interesting way of enhancing our study would be to analyze e-leaders’ behavioral complexity and LMX quality effects on team performance. Identifying factors that influence virtual team performance would be of interest to both researchers and managers. It would make a valuable contribution to virtual team literature and would provide team managers with solutions to avoid failure. In this regard, investigating leaders’ and members’ contribution to team performance through behavioral complexity theory and LMX theory provides an interesting avenue of study.
References


ABSTRACT
This study proposes that transactional psychological contracts mediate the effects of transactional leadership on pay satisfaction, whereas transformational leadership affects pay satisfaction through relational psychological contracts. Furthermore, an augmentation effect of transformational leadership on pay satisfaction is expected. 216 employees of eight organizations participated in this cross-sectional study. Established measures for leadership (MLQ, Bass & Avolio, 1995), psychological contracts (Coyle-Shapiro & Kessler, 2002), and pay satisfaction (Heneman & Schwab, 1985; Sturman & Short, 2000) were used. A multiple mediator model was tested using structural equation modeling. Results show that both transactional and transformational leadership significantly explain the variance of pay satisfaction. Further, results indicate that transformational leadership augments the effects of transactional leadership in predicting employees’ pay satisfaction. Structural equation modeling reveals the expected mediating role of transactional psychological contracts on the relationship between transactional leadership and all facets of pay satisfaction (structure/administration, level, raises, benefits and bonus satisfaction). Further, the indirect effects of transformational leadership on pay structure, benefits, and variable pay satisfaction through relational psychological contracts are supported. These results underline the concept that transformational leadership augments the effects of transactional leadership on pay satisfaction and help to explain how these effects work via psychological contracts.

Key words: compensation management, leadership, social exchange theories
Introduction

Compensation represents one of the most important and influential organizational exchange relationships. For employees, pay plays a vital role in their economic and social well-being (Milkovich & Newman, 2008), which becomes evident in the link between employees’ pay satisfaction and commitment, turnover, absenteeism, and performance (Currall, Towler, Judge & Kohn, 2005; Tekleab, Bartol & Liu, 2005; Vandenberghe & Tremblay, 2008; Williams, McDaniel & Nguyen, 2006). Due to these relationships, organizations devote substantial financial resources to provide satisfactory compensation. Hence, the basic question of interest is how employees’ pay satisfaction can be enhanced, which is why research on pay satisfaction focused to a large part on the antecedents of pay satisfaction. To put it in a nutshell, empirical evidence shows that actual pay is only weakly related to pay satisfaction (Currall et al., 2005). Therefore, recent research on pay satisfaction agrees on focusing on perceptual variables as antecedents.

Aim of the present work is to identify transactional and transformational leadership as a key determinant of employees’ pay satisfaction. Research on antecedents of pay satisfaction shows that understanding and meaning of the pay system serve as important predictors of employees’ attitudes toward their pay (Dyer & Theriault, 1976; Heneman & Judge, 2000), and moreover suggests that leaders may be regarded as responsible for providing this knowledge (Brown & Huber, 1992; Salimäki, Hakonen & Heneman, 2009). Building on the work of Bass (1985), transformational leadership is described as providing meaning and understanding (Bass & Riggio, 2006), and thus as explicitly incorporating what is seen as an important determinant of satisfaction with pay.

Transactional leadership with its focus on economic exchange relationships between leader and employee has been regarded by Bass and colleagues (Bass, 1985; Bass, Avolio, Jung & Berson, 2003) as a necessary precondition for transformational leadership to be effective and is, due to its emphasis on outcomes, also likely to be linked to pay satisfaction.

As research on leadership calls for a closer examination of the mediating processes (Yukl, 1999), the present work concentrates on psychological contract as an underlying mechanism mediating the relationship between leadership and employee attitudes. Psychological contracts reflect an employee’s perception of the relationship towards the organization and include perceptions of mutual obligations (Rousseau, 1989, 1995). Psychological contracts are an increasingly prominent concept for studying employment relationships (Rigotti, 2009), and several studies suggest that leadership might influence employees’ perception of psychological contracts (e.g. Brown & Moshavi, 2002; Goodwin, Wofford & Whittington, 2001; Liden, Bauer & Erdogan, 2005). Furthermore, Rousseau and Ho (2000) underline the importance of psychological contracts within the context of compensation systems. However, we know of only one study by Antoni and Syrek (in press) that has empirically investigated and found support for the relationship between transformational leadership and pay satisfaction and for the mediating role of employees’ psychological contracts.

This study goes beyond that work by comparing the impact of transformational with transactional leadership and by examining pay satisfaction more closely. In accordance with recent research (Vanderberghe & Tremblay, 2008; Williams, McDaniel & Ford, 2007) the present study regards pay satisfaction as a multidimensional construct, with the facets structure/administration, level, raises, benefits, and bonus satisfaction (Heneman & Schwab, 1985; Sturman & Short, 2000). It will explore the question whether transformational and transactional leadership behaviors influence these facets differentially and how psychological
contracts mediate these relationships. To sum up, the present work contributes to the literature by analyzing psychological contracts as the underlying mechanism transmitting the effect of transformational and transactional leadership on employee attitudes towards different aspects of their pay.

**Leadership as an Antecedent of Pay Satisfaction**

The theory of social comparison (Adams, 1965) and discrepancy theory (Lawler, 1971) are regarded as the basis for research on pay satisfaction. According to Adams (1965), employees’ pay satisfaction can be derived from their perceptions of their pay being in the right proportion compared to their inputs and to other employees. Lawler’s (1971) model focuses on the discrepancy between what employees perceive to receive and what they think they should receive. In line with both Adams’ (1965) and Lawler’s (1971) theory accentuating that pay satisfaction is a perceptual phenomenon, recent research on the antecedents of pay satisfaction shifted its attention towards perceptual or attitudinal variables.

A group of studies drew conclusions about the determinants of pay satisfaction based on the effect of employees’ knowledge and understanding of pay policies on employees’ satisfaction with their pay (Brown & Huber, 1992; Dyer & Theriault, 1976; Heneman & Judge, 2000). In sum, this research contributes in showing that understanding the pay system positively influences employees’ pay satisfaction. At the same time however, it is important to identify how organizations may enhance this understanding. Several studies analyzing the importance of pay system knowledge suggest the crucial role leaders thereby assume. Salimäki et al. (2009) demonstrated the leader’s impact on employees’ pay satisfaction by providing meaning to and understanding of the pay system. Also, Brown and Huber (1992) see a leader’s duty in carefully explaining the pay system. All these studies point to the role of the leader. Antoni and Syrek (in press) have empirically analyzed how transformational leadership influences employee pay satisfaction. Following their work, the present research builds on the model of transformational leadership to examine potential antecedents of pay satisfaction. Going beyond this, the present study includes transactional leadership, which according to Bass’ (1985), is the first of the two essential dimensions of leadership behavior.

The major facet of transactional leadership (Bass & Riggio, 2006) is transactional contingent reward. Key to this leadership behavior is the exchange agreement, in which the leader clarifies expectations, the employee has the opportunity to negotiate what is being exchanged and whether it is satisfactory, and the leader rewards the compliance and performance in the form of praise, recognition, and recommendations for a pay raise or promotion (Bass, 1985; Bass & Riggio, 2006). Transactional contingent reward leadership has consistently shown to be positively related to employees’ job satisfaction and commitment (Judge & Piccolo, 2004). It is expected that this leadership behavior is also linked to employees’ pay satisfaction. Transactional contingent reward leaders emphasize clear relation between performance and rewards, which is likely to put attention towards outcomes (Bass, 1985). Pay is a major outcome of interest for the employee (Milkovich & Newman, 2008), so transactional contingent reward leadership is likely to have an impact on an employees’ perception of their pay.

**Hypothesis 1**: Transactional contingent reward leadership is positively related to pay satisfaction.

Transactional leadership is contrasted with transformational leadership (Bass, 1985; Bass & Riggio, 2006). Transformational leaders seek to arouse and satisfy higher needs, stimulate and inspire employees to do more than originally expected. Respective leadership behaviors are communicating an attractive vision, providing meaning, responding to individual employee’s values, needs, and goals, challenging and empowering employees (Bass, 1985; Bass &
A plethora of studies have reported on the substantial positive relationships between transformational leadership and employee attitudes such as job satisfaction or commitment (see Avolio, Bass, Walumbwa & Zhu (2004) and Judge & Piccolo (2004) for a summary and meta-analysis). Bass’ (1985, 1990, 1998) concept of transformational leadership reflects leadership behavior that is aimed at providing meaning and understanding, which – according to Brown and Huber (1992), Heneman and Judge (2000), Salimäki et al. (2009) – precedes employees’ pay satisfaction. Accordingly, Antoni and Syrek (in press) find that, controlling for the conceptual overlap between pay satisfaction and job satisfaction as well as commitment, transformational leadership is significantly related to employees’ overall pay satisfaction. Building on this, the present work expects transformational leadership to be a key determinant of employees’ positive attitude towards their pay.

**Hypothesis 2**: Transformational leadership is positively related to pay satisfaction.

Moreover, one aspect of traditional leadership research has to be pointed out. Bass (1997) argues, “measures of transformational leadership add to measures of transactional leadership in predicting outcomes, but not vice versa” (p. 135). Bass et al. (2003) analyzed accordingly whether transactional contingent reward is a necessary basis for transformational leadership to be effective. There is a substantial amount of evidence supporting the augmentation effect for outcomes such as performance, job satisfaction, commitment, and organizational citizenship behavior (Bass & Avolio, 1993; Bass et al., 2003; Judge & Piccolo, 2004). Hence, it is expected that transformational leadership adds a significant amount of variance explained in employees’ pay satisfaction.

**Hypothesis 3**: Transformational leadership augments the effect of transactional leadership in predicting employees’ pay satisfaction.

Since Heneman and Schwab (1985) disaggregated the construct of pay satisfaction into multiple dimensions, pay satisfaction is analyzed considering the facets pay structure and administration, which refers to how pay is determined and distributed, level, which characterizes satisfaction with ones actual wage, while raises refer to the attitude towards changes in pay level. Finally, benefits satisfaction reflect the satisfaction with indirect payments such as pension, vacation, or insurance. The following development of the Pay Satisfaction Questionnaire (PSQ, Heneman & Schwab, 1985) led to notable interest in the measurement of pay satisfaction. The vast majority of empirical evidence supports the idea of multidimensionality, showing that the components are distinct but related (Judge, 1993; Williams et al., 2007). Further, to depict the trend of variable pay, which has gained popularity in many organizations, not only in the US but also in Europe (Antoni, 2007), Sturman and Short (2000) introduced a new facet of pay satisfaction complementing the PSQ: Bonus satisfaction reflects employees’ satisfaction with the part of their compensation, which is paid in recognition of some goal achievement or performance.

Considering pay satisfaction as a multidimensional construct gives rise to the question whether transactional and transformational leadership influence the pay satisfaction facets differentially, which this study examines in an exploratory manner.

**Mediating Role of Psychological Contracts**

Yukl (1999) argues that “the underlying influence processes for transformational leadership and transactional leadership are still vague … the theory would be stronger if the essential influence processes were identified more clearly and used to explain how each type of behavior affects each type of mediating variable and outcome” (p. 287). The present work builds on the assumption that psychological contracts are basic to the exchange relationships between leaders and employees. Drawing on the seminal work of Argyris (1969) and Schein
(1965), Rousseau (1989, 1995) developed psychological contract theory, which is increasingly seen as an important framework to understand the employment relationship (Zhao, Wayne, Glibkowski & Bravo, 2007). Psychological contracts are defined as “an individual’s beliefs in mutual obligations between that person and another party such as an employer. … This belief is predicated on the perception of that a promise has been made and a consideration offered in exchange for it, binding the parties to some set of reciprocal obligations” (Rousseau & Tijoriwala, 1998, p. 679). Within the psychological contract literature there is a strong agreement that the content can be categorized in two types of contracts: relational and transactional (Conway & Briner, 2005; Coyle-Shapiro & Kessler, 2000). Relational contracts, which emphasize personal, socio-emotional and value-based interactions (e.g. obligations about personal support; Robinson, Kratz & Rousseau, 1994), are distinguished from transactional contracts, being based on more specific, monetary and economic elements of exchange (e.g. obligations about high pay and merit pay).

Several studies relate leadership to psychological contracts, yet all in a theoretical rather than an empirical way. From the literature on psychological contracts the work of Rousseau (1995) shows that employees personify explicit commitments made to them by their leaders as reflecting the whole organization, thus, employees equate the leader with the organization. More explicitly, Liden et al. (2005) argue that leaders are the key agent of the organization and may therefore be seen as responsible not only to establish psychological contracts, but also to fulfill obligations. In the leadership literature several studies refer to psychological contracts: First, Pillai, Schriesheim and Williams (1999) argue that psychological contracts might explain why leadership positively influences employees’ organizational citizenship behavior. They reason that transformational leadership emphasizes social or relational exchange, while employees perceive economic exchange under transactional leadership. Further, Goodwin et al. (2001) refer to psychological contracts as the process through which leadership influences employee attitudes. Specifically, they suggest that transactional leadership emphasizes transactional psychological contracts. For transactional leadership as well as for transactional contracts the belief that rewards will be received is basic to the exchange process. Moreover, due to the strong performance-reward contingency, employees under transactional leaders should perceive transactional obligations such as fair pay as fulfilled.

With regard to transformational leadership, Goodwin et al. (2001, p. 771) argue that “transformational leaders do not focus on the clarification of appropriate behavior in exchange for rewards, they do fulfill the implicit expectations subordinates have for rewarding behavior that exists even in the absence of overt negotiation” (p. 771). Therefore, they expect in line with Pillai et al. (1999) transformational leadership to be stronger related to relational contracts. Antoni and Syrek (in press) find that transformational leadership is linked to both, transactional and relational contracts, yet, the link to relational contracts is stronger compared to transactional contracts. In line with the arguments of Goodwin et al. (2001) and Pillai et al. (1999) they could show that the influence of transformational leadership on job satisfaction and commitment is partially transmitted by relational contracts. With respect to transactional contracts Antoni and Syrek (in press) argue that transformational leaders give employees also the feeling that their (economic) interests are recognized and taken care of, so that employees should also perceive their transactional contracts as fulfilled. Yet, considering the weaker link between transformational leadership and transactional contracts compared to relational contracts, we suggest in line with Pillai et al. (1999) and Goodwin et al. (2001) that particularly transactional leadership behavior should give employees the feeling that their transactional contracts are fulfilled, while transformational
leadership behavior should give employees the feeling that their relational contracts are fulfilled, if both transformational and transactional leadership are considered.

While job satisfaction and commitment are the most heavily researched outcomes of psychological contracts (Zhao et al., 2007), the relationship to pay satisfaction has been almost neglected so far. Rousseau and Ho (2000) suggest a link between pay satisfaction and psychological contracts as they expect psychological contracts to be mainly influenced by compensation strategies and argue that the fulfillment of psychological contracts might influence employees’ satisfaction with their pay. Empirically, Antoni and Syrek (in press) show that particularly transactional contracts are related to overall pay satisfaction. However, as we distinguish different facets of pay satisfaction, we think there are reasons to assume that there is also a significant relationship between relational psychological contracts and employees’ attitudes towards their pay. In particular, the fulfillment of relational contracts, such as providing job security, should positively influence their attitude towards their pay as it contributes to a perceived fair long-term exchange relationship. We therefore propose the following hypotheses.

**Hypothesis 4:** The relationship between transactional leadership and pay satisfaction is mediated by transactional psychological contracts.

**Hypothesis 5:** The relationship between transformational leadership and pay satisfaction is mediated by relational psychological contracts.

**Method**

**Participants and Procedure**

The sample for this study consisted of 216 employees from eight charitable organizations, ranging from cleaning, canteen, maintenance and administrative personnel to physiotherapists and educators. 63% of the employees were female and 37% were male. The respondents’ mean age was 41.2 years (SD = 10.4). The minimum number of years they had spent within the organization was one year; the maximum was 39 years (M = 11.5, SD = 8.2). Between five to ten percent of employees pay was linked to their performance, which was assessed by the immediate supervisor.

All study scales were analyzed by confirmatory factor analyses. To determine the goodness of fit, the model fit indicators Comparative Fit Index (CFI), Tucker Lewis Index (TLI), and Root Mean Square Error of Approximation (RMSEA) were used. If a model fit of CFI and TLI above .80 is achieved, the model fit is acceptable; above .90 it is good. RMSEA less than .08 is acceptable, less than .06 is good (for detailed description of model fit indicators see Hu & Bentler, 1999). In order to save degrees of freedom, all structural equation models were analyzed with item packages. Following this approach not only reduces the required sample size, but also has the advantage of reducing the number of parameters to be estimated and decreasing the measurement error (Bagozzi & Edwards, 1998). Because more than 5% of the data were missing, maximum likelihood imputation was used, which has the least bias (Byrne, 2001).

**Measures**

**Leadership.** The most widely used scale to measure factors in transformational and transactional leadership is the Multifactor Leadership Questionnaire (MLQ; Bass & Avolio, 1995; Felfe, 2006). Transactional leadership (“Whenever I feel like it, I can negotiate with him/her about what I can get from what I accomplish”) was measured through ten items. 16 items were, in accordance with recent research (Judge & Bono, 2000; Judge & Piccolo, 2004),
combined to measure transformational leadership (“My leader articulates a compelling vision of the future”). The respondents were asked to judge how strongly they agreed or disagreed with each statement, using a 5-point scale (1= strongly disagree, 5 = strongly agree). As transformational and transactional leadership were, as shown in previous research (Bass et al., 2003; Goodwin et al., 2001; Judge & Piccolo, 2004), highly correlated, a two- and a one-factor solution were considered. Confirmatory factor analyses showed acceptable model fit for the two factors transformational leadership and transactional leadership ($\chi^2 = 47.60, df = 13, p < .000, CFI = .97, TLI = .94, RMSEA = .070, CI = .050-.092$), which had a significantly better fit than the one-factor solution ($\Delta\chi^2 =116.91, \Delta df = 1, p < .000$). Cronbachs Alphas for transactional leadership and transformational leadership were .92, and .95 respectively.

**Psychological contracts.** The scale measuring psychological contracted contained 11 items. Eight items were used from a scale of Coyle-Shapiro and Kessler (2002), three items were added for the specific context of service work. Relational psychological contract was measured with eight items (e.g. long-term job security or support with problems concerning customers). Transactional psychological contract was measured with three items (e.g. fair pay in comparison to employees doing similar work in other organizations). The respondents were asked to judge to what extent they believe their employer fulfils these aspects, using a 5-point scale (1 = not at all, to 5 = fulfils much more than obligated). Confirmatory factor analysis ($\chi^2 = 29.00, df = 13, p < .01, CFI = .98, TLI = .95, RMSEA = .048, CI = .024-.071$) supported the two dimensions. Cronbach Alphas for transactional and relational psychological contracts were .82 and .92.

**Pay satisfaction.** Eighteen items from the Pay Satisfaction Questionnaire (Heneman & Schwab, 1985) and four items (lump-sum bonus satisfaction) from Sturman and Short (2000) were used to measure pay satisfaction. The facets – structure/ administration, level, raises, benefits, and bonus – were measured through four to six items per factor. The items were measured on a 5-point scale, with 5 connoting high satisfaction. As with other research reporting high correlations between level, raises and structure (Judge, 1993; Sturman & Carraher, 2007) the dimensions of pay satisfaction are explored as distinct factors, yet, in the structural equation model their inter-correlation is controlled for. Confirmatory factor analyses supported the five-factor model ($\chi^2 = 96.48, df = 34, p < .000, CFI = .97, TLI = .95, RMSEA = .058, CI = .045-.072$), which had significantly better fit than all models combining level, raises and structure (all $p < .001$). Cronbach Alphas for pay structure/ administration, level, raises, benefits, and bonus were .93, .96, .89, .96, and .89 respectively.

**Analyses**

In order to test the relationship between leadership and pay satisfaction (Hypothesis 1 and 2), the inter-correlations between these constructs were analyzed and tested for significant differences between the correlation coefficients. In line with traditional leadership research (Bass et al., 2003; Bass & Riggio, 2006; Judge & Piccolo, 2004), the augmentation effect (Hypothesis 3) was tested by hierarchical regressions. In the hierarchical regression transactional leadership was included in block one; in block two, transformational leadership was added. If the $R^2$ change is significant, transformational leadership explains a significant amount of variance additionally to transactional leadership (Bass et al., 2003). As neither gender, age nor tenure was correlated with the analyzed variables they were not further considered.

Hypotheses 4 and 5 suggested an indirect effects model, in which the relationship between leadership and pay satisfaction is transmitted by psychological contracts. The most commonly used approach to test mediation is the causal steps strategy by Baron and Kenny (1986).
However, recent work by Preacher and Hayes (2004, 2008; Preacher, Rucker & Hayes, 2007) shows the advantage of not focusing on the individual paths in the mediation model, but to focus on the indirect effect of the predictor on the outcome through the mediator, which is quantified as \( ab \) and equal to the difference between the total and the direct effect (MacKinnon, Warsi & Dwyer, 1995; Preacher & Hayes, 2008). The product term of the unstandardized coefficients \( a \) and \( b \) is then used to assess the presence, strength, and significance of the indirect effect (Preacher et al., 2007). The statistical significance of \( ab \) is mostly determined by Sobel tests, which compares the ratio of \( ab/\sigma_{ab} \) to a critical value from the standard normal distribution (Preacher et al., 2007). The study followed Preacher and Hayes’ (Hayes, 2009; Preacher & Hayes, 2008) recommendation and bootstrapped confidence intervals for the indirect effects. If zero is not between the upper and lower bound of the bootstrapped confidence interval, the indirect effect is viewed as being significant. Bootstrapping has several advantages because it does not assume a particular shape of the sampling distribution of the indirect effect, as the Sobel test does (Hayes, 2009).

A multiple mediator model was tested, in which the residuals associated with the mediators were, according to Preacher and Hayes (2008), permitted to covary in order to account for un-modelled sources of covariation between the mediators. Multiple mediator models have several advantages such as determining to what extent a specific form of psychological contract mediates the effect of leadership on pay satisfaction, conditional on the presence of the other form of psychological contract.

Grimmer and Oddy (2007) show a significant correlation between transactional and relational psychological contracts, and studies have consistently found an augmentation effect of transformational over transactional leadership (Judge & Piccolo, 2004). Thus, transformational leadership may have a limited impact on perceptions of relational psychological contract and a weak relationship may exist between transformational leadership and transactional psychological contracts (although the relationships suggested in the initial theoretical model seem more plausible). Thus, paths from transformational leadership to transactional psychological contracts and from transactional leadership to relational psychological contract were estimated. Further, covariation between the residuals associated with the pay satisfaction variables was allowed, while in no model correlated error terms were estimated.

**Results**

**Descriptive Statistics and Hierarchical Regressions**

Descriptive statistics for and Pearson correlations between the variables in the study – transformational and transactional leadership, transactional and relational psychological contract, and the pay satisfaction dimensions – are displayed in table 1.
Table 1. Descriptive statistics, correlations, and reliabilities

<table>
<thead>
<tr>
<th></th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Transactional leadership</td>
<td>3.99</td>
<td>0.99</td>
<td>.92</td>
<td>.78</td>
<td>.82</td>
<td>.66</td>
<td>.70</td>
<td>.92</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Transformational leadership</td>
<td>4.37</td>
<td>0.96</td>
<td>.78</td>
<td>.95</td>
<td>.82</td>
<td>.66</td>
<td>.70</td>
<td>.92</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Transactional contract</td>
<td>3.76</td>
<td>0.82</td>
<td>.46</td>
<td>.40</td>
<td></td>
<td>.53</td>
<td>.61</td>
<td>.70</td>
<td>.92</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Relational contract</td>
<td>2.90</td>
<td>0.83</td>
<td>.57</td>
<td>.66</td>
<td>.70</td>
<td>.92</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Structure</td>
<td>3.69</td>
<td>1.09</td>
<td>.48</td>
<td>.53</td>
<td>.56</td>
<td>.66</td>
<td>.66</td>
<td>.68</td>
<td>.92</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Level</td>
<td>3.86</td>
<td>1.25</td>
<td>.36</td>
<td>.35</td>
<td>.58</td>
<td>.49</td>
<td>.82</td>
<td>.96</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 Raises</td>
<td>3.67</td>
<td>1.12</td>
<td>.42</td>
<td>.44</td>
<td>.57</td>
<td>.54</td>
<td>.94</td>
<td>.90</td>
<td>.89</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 Benefits</td>
<td>4.26</td>
<td>0.90</td>
<td>.34</td>
<td>.34</td>
<td>.58</td>
<td>.58</td>
<td>.66</td>
<td>.68</td>
<td>.96</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 Bonus</td>
<td>4.18</td>
<td>1.19</td>
<td>.44</td>
<td>.49</td>
<td>.56</td>
<td>.66</td>
<td>.67</td>
<td>.56</td>
<td>.57</td>
<td>.89</td>
<td></td>
</tr>
</tbody>
</table>

Note: All correlations are significant at *** $p < .001$.

Transaction leadership was positively related to all pay dimensions, supporting Hypothesis 1. Although the correlation between transactional leadership and the pay satisfaction facets structure, bonus and raises were descriptively higher than the correlations between transactional leadership and level or benefits, the differences were not significant. Thus, transactional leadership is not differentially related to the pay satisfaction facets.

As expected in Hypothesis 2, the correlations between transformational leadership and pay satisfaction were positive. Furthermore, the correlation between transformational leadership and structure was stronger with respect to level ($z = 2.32$, 1-tail $p < .01$), and benefits ($z = 2.44$, 1-tail $p < .01$). The differences with respect to raises were not significant ($z = 1.22$, n.s.). The same holds true for bonus; the correlation was stronger than the respective correlations with level ($z = 1.76$, 1-tail $p < .05$) or benefits ($z = 1.88$, 1-tail $p < .05$), but there were no differences with respect to raises ($z = 0.66$, n.s.). Thus, transformational leadership was differentially related to the pay satisfaction dimensions.

In order to test the augmentation effect, hierarchical regressions were analyzed. Results indicated that the transformational leadership scale augmented transactional leadership in predicting structure ($\Delta R^2 = .10$, $p < .001$), level ($\Delta R^2 = .03$, $p < .05$), raises ($\Delta R^2 = .06$, $p < .001$), benefits ($\Delta R^2 = .03$, $p < .05$) and bonus satisfaction ($\Delta R^2 = .07$, $p < .001$). Thus, Hypothesis 3 was supported, stipulating that transformational leadership added a significant amount of variance explained to the effect of transactional leadership.

**Mediator Analyses**

To test Hypothesis 4 and 5 a multiple mediator model using structural equation modelling was analyzed. Results indicated that the theoretical model (figure 2) had a good fit ($\chi^2 = 416.89$, $df = 239$, $p < .000$, CFI = .96, TLI = .95, RMSEA = .059, CI = .049-.068). Further, the results showed that 53% of the variance in pay structure satisfaction was explained by leadership and psychological contracts. For level, the amount of variance explained was 36%, for raises, benefits, and bonus satisfaction the predictors explained 39%, 40%, and 47% of their variance. The model further showed that the relationships between transactional leadership and relational psychological contract, and between transformational leadership and transactional contracts were insignificant.
Mediation model: Unstandardized coefficients (straight lines), correlations (curved lines), significant paths (solid lines), and insignificant paths (dashed lines) show. For reasons of clarity, inter-correlation between pay satisfaction dimensions not shown (B = .59, p < .001 to B = .14, p < .01). *** p < .001, ** p < .01.

Considering hypothesis 4 for structure, the specific indirect effect of transactional leadership was $ab = .11$ through transactional psychological contracts. The results of the product-of-coefficient approach (Sobel test) indicated that transactional psychological contracts were not a significant mediator, ($z = 1.90, p > .05$). Yet, because the assumption of normality of the sampling distribution is questionable (Preacher & Hayes, 2008), confidence intervals for the indirect effects were bootstrapped. The estimates and 95% confidence intervals (BC) are displayed in table 2. Because zero was not contained in the interval {$0.02, .11$}, one can conclude that transactional psychological contracts were an important mediator of the relationship between transactional leadership and structure. For bonus satisfaction ($ab = .12$) as well, the confidence interval did not contain zero {$0.01, .45$}. For the other pay satisfaction facets level ($ab = .23, z = 2.27, p < .05$), raises ($ab = .16, z = 2.09, p < .05$), and benefits ($ab = .12, z = 1.97, p < .05$), the results also indicated that transactional psychological contracts mediated the relationships between transactional leadership and these three pay satisfaction dimensions. As neither of the direct effects of transactional leadership on the pay satisfaction dimensions was significant, full mediation was present. One therefore can conclude that of the potential mediators examined, transactional psychological contracts transmitted the effect of transactional leadership on each pay satisfaction facets. Hypothesis 4 was therefore supported.
Table 2. Mediation of the effect of transactional leadership on pay satisfaction through transactional psychological contracts

<table>
<thead>
<tr>
<th>Pay Dimension</th>
<th>Point Estimate</th>
<th>SE</th>
<th>Z</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure</td>
<td>.12</td>
<td>.06</td>
<td>1.90</td>
<td>.02</td>
<td>.11</td>
</tr>
<tr>
<td>Level</td>
<td>.23</td>
<td>.10</td>
<td>2.27</td>
<td>.06</td>
<td>.57</td>
</tr>
<tr>
<td>Raises</td>
<td>.16</td>
<td>.08</td>
<td>2.09</td>
<td>.04</td>
<td>.43</td>
</tr>
<tr>
<td>Benefits</td>
<td>.12</td>
<td>.06</td>
<td>1.97</td>
<td>.03</td>
<td>.34</td>
</tr>
<tr>
<td>Bonus</td>
<td>.12</td>
<td>.07</td>
<td>1.75</td>
<td>.01</td>
<td>.45</td>
</tr>
</tbody>
</table>

Note. BC = bias corrected; 5,000 bootstrap samples.

For transformational leadership the examination of the specific indirect effects indicated that relational psychological contracts transmitted the effect on structure satisfaction (ab = .24, z = 2.79, p < .01). The examination of the 95% CIs confirms these results {.07, .46}. Because zero was not contained in the interval (table 3), the specific indirect through relational psychological contract was significant for benefits, and bonus satisfaction. The relationships between transformational leadership and level and raises were not mediated by relational psychological contracts. Neither of the direct effects of transformational leadership on the pay satisfaction dimensions was significant. Therefore, one can argue that transformational leadership influenced structure, benefits, and bonus satisfaction through relational psychological contracts, while there was no mediation present for level and raises. Thus, H5 was mainly supported.

Table 3. Mediation of the effect of transformational leadership on pay satisfaction through relational psychological contracts

<table>
<thead>
<tr>
<th>Pay Dimension</th>
<th>Point Estimate</th>
<th>SE</th>
<th>Z</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure</td>
<td>.24</td>
<td>.09</td>
<td>2.79</td>
<td>.07</td>
<td>.46</td>
</tr>
<tr>
<td>Level</td>
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<td>.09</td>
<td>0.70</td>
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<td>.29</td>
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<tr>
<td>Raises</td>
<td>.09</td>
<td>.08</td>
<td>1.06</td>
<td>-.12</td>
<td>.33</td>
</tr>
<tr>
<td>Benefits</td>
<td>.19</td>
<td>.08</td>
<td>2.34</td>
<td>.03</td>
<td>.42</td>
</tr>
<tr>
<td>Bonus</td>
<td>.27</td>
<td>.10</td>
<td>2.61</td>
<td>.03</td>
<td>.61</td>
</tr>
</tbody>
</table>

Note. BC = bias corrected; 5,000 bootstrap samples.

Discussion

This study was conducted to examine how different leadership behaviors correlate with employees’ pay satisfaction and whether different forms of psychological contracts serve as variables mediating these relationships. The results indicate that both leadership behaviors influenced employees’ pay satisfaction through the hypothesized form of psychological contract, contributing to previous research suggesting this link.
The analysis revealed that transactional leadership positively influenced all facets of employees’ pay satisfaction. Although significant differences between the correlations could not be found, the results indicated that the relationships between transactional leadership and structure, raises and bonus are by trend stronger with respect to level and benefits. It seems plausible that a leader, who focuses on effort-reward contingencies, puts emphasis on clarifying the transactions that are taking place and with that increases satisfaction with the organization’s pay structure. Moreover, as recognition in the form of recommending a promotion (which goes along with a change in pay) is a constitutive element of transactional leadership (Bass, 1985), transactional leadership might be strongly related to raises. Further, the possibility of contingently recognizing good performance by offering a bonus seems to directly play into a transactional leader’s hand.

It was further expected in line with Goodwin et al. (2001) that transactional contracts mediate the relationship between transactional leadership and employee attitudes. Transactional leaders clarify expectations, specify standards for compliance, and provide rewards and recognition in exchange for goal achievement. It was suggested that this leadership behavior is likely to result in relationships with the focus lying on the exchange of hard work on the part of the employee for high extrinsic rewards. According to the results, the transactional leader-employee relationship can indeed be characterized by transactions or discrete exchanges of extrinsic outcomes, which are part of transactional psychological contracts.

With regard to transformational leadership the results show particularly positive relationships to structure and bonus satisfaction. Previous research shows that understanding and knowledge about the pay policies has an impact on employees’ pay satisfaction (Dyer & Theriault, 1976). In the assessed organizations major changes in the pay system took place as performance-based pay was implemented two years before the assessment, therefore understanding of the new system and seeing the new system as a challenge were likely to be particularly important. Transformational leaders communicate not only the purpose, but also the virtue of the pay system. They link organizational goals to employees’ individual goals, thereby considering employees’ needs and values, and supporting their development. Moreover, their vision of the new pay system influences employees to regard the changes as a positive challenge. Therefore, employees’ attitude towards the organization’s pay structure and their bonus was positively related to transformational leadership.

It was further expected, building on the work of Goodwin et al. (2001) and Antoni and Syrek (in press), that socio-emotional issues, i.e. relational contracts, characterize the transformational leader-employee relationship. The results supported this hypothesis with regard to the relationship between transformational leadership and structure, bonus and benefits. Thus, due to the long-time horizon of relational psychological contracts, transformational leaders create faith of mutual adjustment within the organization’s pay system, which positively influenced employees’ structure, and bonus satisfaction. Further, it seems possible that even though employees’ benefits are mainly legally determined, transformational leaders establish a personal relationship and with that give employees the feeling that the organization addresses their needs and demands in the form of providing insurance, pension or child-raising benefits. That the relationship between transformational leadership and level as well as raises was not mediated by relational psychological contracts raises some questions. It might be possible that for employees’ pay level and raises transactional obligations and the transparent contingency of rewards play a more important role than socio-emotional elements of exchange.

To sum up, the mediation findings make important contributions to the leadership, psychological contract and pay satisfaction literature. The study firstly demonstrates that...
different leadership behaviors are differentially related to relational and transactional psychological contracts. Moreover, going beyond the work of Antoni and Syrek (in press) the study contributed to research on pay satisfaction as a multidimensional construct by showing that transformational leadership was differentially related to the pay satisfaction facets and that the mediation processes differed for the pay satisfaction dimensions.

The present analyses not only makes theoretical contributions, but also offer relevance for organizational practice. The results indicate that transformational leadership has strong effects on employees pay satisfaction as employees’ understanding of the pay system is enhanced. When designing a pay system, organizations should therefore not only focus on the amount of the pay, but also ensure that leaders provide understanding of the new system to the employees. Communicating an inspiring vision of a new system, articulating change as a challenge, building on employees’ strengths to develop them, participating and empowering them are behaviors that can be trained (Bass, 1998). Bass (1998) developed a concept particularly directed at leaders to train transformational behavior, for example by articulating attractive future states. Avolio et al. (2009) recently demonstrated that training interventions are a potential investment with important returns for the organization. Thus, organizations should consider incorporating elements of transformational leadership training in their leader development. Moreover, the present work on psychological contracts offers relevance for organizational practice. The analysis of psychological contracts enables leaders to detect discrepancies between perceived promises and their fulfillment. Given the importance of psychological contracts for shaping employees’ work-related attitudes, managing psychological contracts of employees should be a promising organizational strategy. Firstly, leaders should not provide unrealistic promises during work interactions (Rigotti, 2009). Second, providing explanations and justifications for changes should help to revise the psychological contract and reduce the likelihood of breaches. Third, leaders should carefully assess their employees’ needs and make sincere efforts at fulfilling their obligations.

Limitations and Further Research

A first limitation concerns the fact that transactional and transformational leadership were highly correlated, which alludes to a well-known problem of the transactional contingent reward scale: A variety of studies shows a strong linkage between contingent reward and transformational leadership, which is as high as or even higher than one expects for alternative measures of the same construct, but not for distinct aspects like transformational and transactional leadership (Bycio, Hackett & Allen, 1995; Felfe, 2006; Judge & Piccolo, 2004). Bass and research following his conceptualization viewed transactional and transformational leadership as distinct behaviors (Avolio et al., 2009; Bass, 1985; Bass et al., 2003; Bass & Riggio, 2006; Judge & Piccolo, 2004). Although the problem of conceptual overlap between transactional leadership and transformational leadership was not solved, the present work shows that both leadership behaviors work through different psychological contracts. These results provide support for their discriminant validity, yet the problematic overlap should be considered in further research.

Further, one of the limitations of the study is that the ratings of leadership, psychological contracts, and pay satisfaction were collected at the same point in time. Future research should collect these ratings at separate points in time to obtain a better estimate of the causal linkage between leadership and pay satisfaction. Further, given that the perceptions of psychological contracts might change over time, a longitudinal design may be more appropriate. Moreover, while conversely discussed in the literature (Podsakoff, MacKenzie, Lee & Podsakoff, 2003; Spector, 2003), we regard it as important to react to the potential of common method variance, which is connected to the use of self-report measures. The
occurrence of common method variance was tested by conducting a confirmatory factor analysis with all variables loading on one factor to examine the fit of the model (Korsgaard & Roberson, 1995; Podsakoff et al., 2003). The results of the confirmatory factor analysis showed that the single-factor model did not fit the data well ($\chi^2 = 2293.79$, $df = 276$, $p < .000$, $TLI = .47$, $CFI = .55$, $RMSEA = .184$, $CI = .177-.191$). Results from these analysis indicated that common method variance is not a pervasive problem in this study. Moreover, the threat of common method variance is minimized since the study was able to find indirect effects, which are more difficult to identify if common method variance is present (Harris, Harris & Harvey, 2007). However, future research should incorporate alternative designs.

Another limitation is that the sample represented only charitable institutions that only had two years of experience with pay-for-performance plans. Future research should examine the relationships between leadership and pay satisfaction with additional samples of profit organizations. Since in charitable institutions transformational leadership seems to reflect the underlying organization’s culture and philosophy, profit organizations might have more leaders whose behaviour would be perceived as more transactional. There, future research could examine the differential effects of transactional leadership on the pay satisfaction dimensions more closely. Accordingly, in smaller firms or organizations, leaders possibly have more influence on pay decisions, so that the relationships between leadership and pay satisfaction could be even stronger in a different context.

All in all, this study provided further insight in the antecedents of employees’ pay satisfaction by identifying transactional and transformational leadership as two important determinants. Moreover, the study contributed in linking leadership with psychological contract by examining transactional psychological contracts as the mediating process of the relationship between transactional leadership and pay satisfaction, and regarding relational contracts as the underlying mechanism of transformational leadership. Thus, the study presents a comprehensive framework on the antecedents of employees’ satisfaction with five facets of pay.
References


OCCUPATIONAL STRESS ON FRENCH CUSTOMER SERVICE EMPLOYEES: IMPACT OF HUMAN RESOURCE MANAGEMENT MODES

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ABSTRACT

Dealing with angry individuals, enduring verbal abuse without reacting negatively appears as an inherent part of the work of customer service employees. This research presents and tests a framework to examine, not the effects of customer behavior, but the results of negative management modes on occupational stress. The study includes semi-directive interviews involving 86 customer service employees from five different companies: two call centers, one retail company and two passenger transportation companies (rail and air). The survey’s results provide new insights on how the employees’ well-being and the quality of service may be improved by appropriate human resource practices.

Keywords: occupational stress, management modes, customer service relationship, identity at work, empowerment, social support, emotional load

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Job stress is central to a number of current issues especially within industrialized nations (Cooper and Payne, 1988). Recently, suicides among employees in France within the automotive and telecom industries have been reported by mass media and the accountability of companies has thus been put into question. The French government has created a commission (2008) and a legislation has been put in place (2009). What raises the interest in work stress is its economical cost which is estimated at close to 20% of the expenses related to accidents at work and to occupational illnesses, two branches of the French Social Security System, (Bejean and alii, 2004). The rise of these psychosocial risks in service activities and the hardening of the rules imposed on sales persons have led the causes of stress among customer service employees to be investigated in some sectors in France. These employees’ job consists in “welcoming, selling service and managing the after-sales customer relationship”. This relationship is characterized by the fact that the job is neither purely relevant to sales nor to customer service. The study presented here includes five companies: a call center in telecommunication services (case A), another one in a mutual insurance company (case B), a retail company (case C), a rail transport company (case D) and an air transportation company (case E).

Research literature on stress shows that an important evolution has taken place over the last thirty years. An organizational perspective that challenges new work organizations (Sparks, Faragher, Cooper, 2001) broadens the psychological and transactional approach (Lazarus and Folkman, 1984). Some studies point out violence and aggressiveness of customers as the main cause of occupational stress among front office employees (Vieworka, 1999). Social scientists in numerous fields, such as psychology, sociology, work sciences and management sciences, have investigated stress as a research topic. In 1932, Seyle (1956), a Canadian physician, identifies two types of stress: good stress “eustress” and bad stress “distress”. Stress is a reaction of the body to resist aggressive factors. On this basis, psychologists move from physiology to psychology (Antonevsky, 1979, Ivancevich, 1982). Psychologists describe stress as a dynamic process that involves appraisal capabilities and the ability to cope with a situation in a work environment (Lazarus and Folkman, 1984). The customer relationship implies knowledge as well as feelings between participants. Psychological research (Srivastava and Sager, 1999) strongly underlines the prevailing role of the personality of the sales employees exposed to stress.

Sociologists have originally carried studies on service relations on civil servants. Weber (1923, 1991) and Halbwachs (1905) base their work on the equal service treatment for civil service users. Goffman (1973) widens this research field by studying the relationship between sick people, nurses and doctors. Service relation is here thought as a “mending” relationship. The customer or user goes to see a “mending expert” whom he recognizes as an expert and whom he trusts. The deregulation in the public sector, where the competence of employees is less and less recognized, challenges this approach. (Giauque, 2004). “Service relationship” is the availability of an employee to provide technical and intellectual capability (Ashforth and Humphrey, 1993). The customer relationship depends on “objects in each other and on the intensity of the links which are interconnected in the exchange relationships “ (Adams, 1976, Damperat, 2002).

Research literature clearly identifies that the customer service relationship is dominated by a dual approach opposing sociologists who give the priority to the relation dimension and economists who adopt a technical perspective and consider the customer service relationship as a measurable item. In addition, numerous research in management sciences challenge new forms of work organization, as well as their impact on stress rise. Flexibility (Perilleux, 2001) and urgency (Aubert and Roux-Dufort, 2004) lead to work
overload. New information and communication technologies are introduced without any training, so that employees have no choice but to manage on their own in a context of uncertainty. The work intensification process is increasing (Askenazy and alii, 2006; Batt, 2002). This increasing work demand, seen as “overload” (De Montmollin, 1997), challenges the ergonomists (Hubault and Bourgeois, 2002). Initially focused on “physical load”, research in ergonomics widens its perspective which now includes “knowledge and emotional load”. Marketing studies argue that customer participation to the production process is sometimes a source of dissatisfaction for customers who see the limits of the “do it yourself service” (Levitt, 1976). Some role of context: managing waiting lanes where the perception of time is “relative” is more and more difficult for front employees (Volle, 2008). Claims from customers have a direct impact on the job stress suffered by customer service employees (Mahn, 2003). In a context of productivity and profitability optimization, customer retention is getting more and more important and the fear of failing is a permanent source of stress for customer service employees (Lashley, 1999; Sager and Wilson, 1995). The management of claims is an integral component of service performance. Customer service employees face the managers and customers’ contradictory demands as they have to do well and fast in a context of excellence (Gummeson, 1999; Fry, Furrell, Parasuraman, Chmielewski, 1986).

This literature review on customer service employees’ occupational stress shows that the findings made by different studies notably diverge. It also underlines the priority given to studies on stress among public employees (Marriott and Brown, 1997) and sales persons in Business - to - Business (B2B) services where the case centre employees offered a lot of interest. This research is focused on Business-to-Consumer (B2C) services where salespersons are strongly affected by organizational changes. It studies stress among front office employees and also stress in call centers according to an organizational approach and a qualitative investigation. This research first aims at identifying the customer’s effect on the stress of salespersons, then attempts to determine the real status of customer satisfaction in the objectives of private companies and the way companies should manage customer service employees (Honneth, 2000).

Unlike previous psychological and sociological research on stress among customer service employees (Marriott and Brown, 1997), this research choses Chanlat’s organizational model (1999) to study the effect of occupational demands, decisional latitude and social support (Karasek and Theorell, 1990). The impact of additional variables such as empowerment, work identity, recognition and organizational support are analyzed. This research also posits the influence of the French culture of service on the employees’ uneasiness and their difficulty to cope with an American context where neither training nor communication is developed (D’iribarne, 1989, 2006). This approach to customer service relationship explains how a change in management resources and practices can improve the satisfaction of customer service employees with the quality of their work.

The following parts of this article appear in the following structure. The next section presents a conceptual model. Subsequently, this article describes the design of its empirical study and presents the five cases. It presents the main results in another section, discusses the results and some research limitations, and ultimately suggests a few tracks for further research.

Conceptual model

Figure 1 presents the conceptual model in which Chanlat (1999) posits that management practices influence physical and mental health. He identifies four types of management modes: neo-taylorism, bureaucratism, excellence and the participative mode. On
the basis of empirical studies, he concludes that there are close links between organizational modes and the level of occupational stress among employees.

Figure 1 – Modes of Management and Job Stress (Chanlat, 1999)

Chanlat uses Karasek’s Demand-Control Model (DC Model, Karasek, 1979) to show the positive links between high psychological demands and the physical, social, and organizational elements of the work activity. Decisional latitude also includes the employee’s ability to control various aspects of his or her job. The model is enriched by the dimension of social support (Karasek and Theorell, 1990) which includes the role played by the hierarchy, colleagues, friends and family on stress. High demands at work, low control and week social support have negative effects on psychological and physiological health. Chanlat (1999) widens the prior model by including the notion of recognition (Siegrist, 1996). According to
him, neo-taylorism and bureaucratisation lead to dissatisfaction at work. The Excellence model can have bad consequences such as “burnout” (Maslach, 2003). Although it has not yet proved economically efficient, the participative model appears as the one which best encourages the involvement of service employees.

Following the literature, this study assumes that there is a positive link between the nature of organizations and physical and mental health. Yet new research shows how prior studies are limited by their determinism. Prior literature shows that organizations are becoming more and more hybrid (Eminet, 2006). This study focuses on the nature of work overload and on the different Human Resource Management practices. According to prior literature, weak social support, low decisional latitude and increasing psychological demands are likely to have negative effects. Following Chanlat’s model (1999), this study includes the role of recognition in the employee’s motivation for work.

This study widens the model by including the role of the end customer as a variable of occupational stress in the customer relationship. Its objective is to test the model of Chanlat (1999) in order to identify the customer’s real role in the stress undergone by customer service employees and to determine the nature of the different causes of that stress. Its also aims at comparing the nature of the work overload problems found in the particular field of services.
Research design

Five Cases Studies

As Table 1 shows, the study includes five French companies for a quantitative study for two years. In each company, stress is measured using the well-validated French version (Hellemans and Karnas, 1999) of the Job Content Questionnaire (JCQ; Karasek, 1985). The studies indicates higher scores of job stress in case of increasing psychological demands. The living conditions are taken into account in these home made questionnaires. The first case
study (case A) concerns the call center of a telecommunication services provider. The second case study (case B) also concerns a call center, providing internal call centre services to a mutual insurance company (customers are owners). The third case study (case C) is a retail company. The fourth case study (case D) is a major rail passenger transportation company whereas the fifth case study (case E) is a company specialized in air passenger transportation. Cases B, D and E have in common a change in the customer relationship culture of the company which evolved from a technical dimension to a commercial dimension.

Table 1 – Five Case Studies

<table>
<thead>
<tr>
<th>Case Studies</th>
<th>Company</th>
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<tbody>
<tr>
<td>Case study A</td>
<td>External telecommunication call center</td>
</tr>
<tr>
<td>Case study B</td>
<td>Internal mutual insurance call center</td>
</tr>
<tr>
<td>Case study C</td>
<td>Retail company</td>
</tr>
<tr>
<td>Case study D</td>
<td>Airline company</td>
</tr>
<tr>
<td>Case study E</td>
<td>Railroad transportation company</td>
</tr>
</tbody>
</table>

Data Collection

About 86 males and females volunteers have been interviewed on their workplace. The sample frame consists of about 15 employees from each company, aged 25-50, front line employees and call centre employees in equal proportions, interviewed during one year.

This research includes a qualitative study through semi directive interviews lasting one to one and a half hour. This research adopts a comprehensive approach to the reasons of job stress among employees, including a very large interview guide. As shown in table 2, the role of the customer was just suggested in questions 6, 7, 8, 9.
### Table 2- Place Interview Guide

<table>
<thead>
<tr>
<th>SEMI DIRECTIVE INTERVIEW GUIDE</th>
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</thead>
<tbody>
<tr>
<td>Company:</td>
</tr>
<tr>
<td>Status :</td>
</tr>
<tr>
<td>Date :</td>
</tr>
<tr>
<td>Gender :</td>
</tr>
<tr>
<td>Graduate :</td>
</tr>
<tr>
<td>Age</td>
</tr>
<tr>
<td>Seniority :</td>
</tr>
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</table>

**First theme: Work description**

- Q. 1: Could you describe your job?
- Q. 2: Which kind of tasks do you have to execute?
- Q. 3: What kind of difficulties do you meet?
- Q. 4: How do you face them?
- Q. 5: What were the consequences on your health?

**Second theme: Role of customer on job stress**

- Q. 6: Do you have to cope with customer difficulties in your job?
- Q. 7: Are customer needs at the origin of these difficulties?
- Q. 8: Do you think the training period and the time to deal with customer complaints are sufficient?
- Q. 9: Is customer behavior a cause of stress?

**Third theme: role of personality**

- Q. 10: Did you meet difficulties in you prior job?

**Fourth theme: degree of organizational support**

- Q. 11: Can you speak about your job difficulties to your hierarchy? Colleagues?
- Q. 12: If not, why?

**Fifth theme: Measuring the actions within the organization**

- Q. 13: What kind of actions could be taken?

Thank you

This research uses NVIVO to carry out the exploitation of the employees’ answers. 185 nodes and eight themes occur.

The interview guide predetermines some themes: psychological demands, job control and social support. The following themes emerge from the treatment with NVIVO: the non significant role of the customer, the importance of physical, cognitive and emotional overload. Role ambiguity also comes up, together with loss of identity at work, in a context of organizational change regarding the customer relationship culture.

**Results**

Overall, the most important findings are the following:

- The customer has a weak role on front line employees’ job stress at the call centre.
- Customer satisfaction is obviously not a priority of the organization, which leads to work roles conflicts for employees.
- Human Resource Management definitely contributes to the studied employees’ job stress.
Role of Customer management modes on Job Stress

The comparative analysis shows that the customer’s behavior has little impact on job stress among customer relationship employees except in the air passenger transportation company (case E). In this case, strong technical culture among employees interacts negatively with the new commercial dimension of their job. Customer behavior is a significant cause of stress for employees who have difficulties accepting the behavior of new customers who are more demanding and aggressive than before the mass transportation era.

For call center employees, customer satisfaction is perceived as a mission. Customers who are calling are unsatisfied but employees feel that they can manage. In the telecom services call centre (case A), employees believe they contribute to a mission of common interest which consists in maintaining the social link through mobile phones. In the mutual insurance company (case B), to serve the customer /owner is a mission too. In the retail company (case C), a significant level of autonomy gives employees the feeling of being able to manage customers that are often aggressive and impolite. The manager will either turn the customer down or offer the latter a refund in the name of loyalty if he/she is dissatisfied. In the rail transportation company (case D), bonuses are awarded to employees when the train station meets the specification of a quality program, which contributes to the employee’s acceptance of a new commercial culture.

The study’s findings identify that customer behavior does not have a significant impact on the job stress that customer service employees experience. The article investigates the role of customer and its impact on job stress in the managerial project.

Role of Customer Satisfaction in Managerial Projects

The comparative study on the five cases identifies different management approaches to the role of customer satisfaction. These management approaches are linked to specific work organizations and human resource management practices.

In call centers (cases A and B) and in the retail company (case C), cost efficiency comes first. Productivity is more important than customer satisfaction which translates into “the customer is a call time, “a cart, an account”. The customer is “an alibi” to ask for more flexibility and polyvalent attitude from employees (Cranwell-Ward and Abbey, 2005). This study confirms the findings of economical sociology which show how the customer may be used as a means of improving productivity by managers (Maugeri, 2006).

In the rail transportation company (case D), customer satisfaction is used as a means of changing the company’s culture. The customer quality approach is associated to a bonus system which motivates employees to improve the quality of service. In the air transportation company (case E), there is a gap between the managers’ official goal, which is to improve the quality of service, and the day-to-day objective, which is to focus on “the profitable customer”(Hartline and Ferrell, 1996). In both cases, the development of self service counters and e-commerce raises the employees’ fear of loosing their job, thus creating job stress.
The finding here is that customer behavior has less impact on job stress than the way managers define the role of customers in their organization (Mahn and al., 2003).

Human Resource Management Modes And Job Stress

The study identifies common management practices that contribute to work stress. According to the research, the increasing demand for poly-aptitude and flexibility leads to the intensification of work overload (Sheth and Parvatiyar, 1995). The lack of decisional latitude and recognition has a negative impact on well-being at work. Work roles conflicts and the loss of work identity increase the employee’s ill-being. However, social support and the organizational culture seem to dampen this ill-being (Ribert Van de Weerdt, 2007; Ashford and Humphrey, 1995).

Common Practices

All employees, except in case D (rail transportation company), mention the increase of physical workload caused by “just-in-time” staff management procedures and an increasing demand for productivity. In cases A (telecommunication call centre) and B (mutual insurance company), the number of calls per unit of time increases and employees have to answer more and more versatile questions without any prior. It entails an increase of mental load.. In case C (retail company), the increase of workload no longer allows any period of rest. The increase of physical work load causes MSD (musculoskeletal disorders). In case E (air transportation company), the versatility of the tasks to be done in different places of the large airport increases physical load. The increased complexity of business softwares prevent employees from providing quick and reliable answers to customers who are very well informed about pricing conditions obtained through prior internet research. Insufficient training, and the feeling of not doing the job well, cause mental and emotional overload among the employees.

Decisional latitude has variable effects on the employees’ psychological health, depending on the work environment. Case A (telecom call center) confirms Karasek’s Demand-Control model and the psychological impact that a work situation combining a total lack of decisional latitude and an increase in psychological demands has on employees. The lack of control creates sleep disorders, and sometimes an increase in weight (Jackson, 1983). These are significant symptoms of stress. On the contrary, in the context of an organization that has become more and more “taylorist”, case B (mutual insurance call centre) shows the negative effects that control by the employee may have on health. The management implicitly accepts that employees disregard the prescribed call time by not monitoring the number of calls per employee per day. In the meantime, the accumulation of waiting calls and the certainty of taking a call from an unsatisfied shareholder/customer creates emotional load which has a significant impact on physical and psychological health. Case B illustrates the effect of empowerment, the latter being the direct consequence of the management and the work organization giving up their power to employees (Parasuraman; Zeithaml and Berry, 1985).

Case C (retail company) underlines the perverse effect that a contradictory management mode may have on occupational well-being, failure to meet commercial targets being brutally punished while day-to-day decisional latitude is being promoted at the same time. In case D (rail transportation company), the job change for front line employees in
charge of the ticket sales is closely linked to the decrease of decisional latitude. Employees feel they are losing their role and their job identity due to the development of self service sales and the closing of counters. Their job is limited to providing assistance to customers without supplying the real service.

Ill-being at work among customer service employees is increased because of the lack of recognition given by managers to staff employees. The cross-case analysis underlines the little recognition of competences received by these employees, as shown by the numerous indicators of Human Resource Management. In cases A (telecommunication call center), B (Mutual insurance call center), C (retail company), employees have little or no education and may have faced significant unemployment periods. Bonuses awarded when productivity improves have a big impact on staff motivation. However, in case C (retail company), this motivation may lead to “burnout”. In almost all cases, there is virtually no staff training. The carrier opportunities offered mean such a high level of productivity that employees often renounce them. In case B (mutual insurance call center) and D (rail transportation company), carrier opportunities are scarce because of the priority given to the development of internet sales and self service counters. Employment uncertainty then produces an emotional overload among these employees. Due to the lack of communication with the middle management, employees lack visibility as far as the future of their employment is concerned.

This research clearly shows how common Human Resource Management practices generate physical, mental and emotional overload for customer service staff.

**Role Conflict, Loss Of Work Identity**

This study confirms how work roles conflict and loss of work identity emphasize the feeling of ill-at-easeness at work.

In case A (telecommunication call centre), the employees have the feeling they are merely making up for the bad quality of the work provided by the staff in retail shops. The call time target and the interview guide do not allow them to do the mending job well. In all other cases, employees are in a situation of willing to do well without having the means to do so. For call centre employees (cases A and B), call time is not long enough to meet customer needs. In transportation companies (cases D and E), unclear pricing policies generate customer disappointment. The customer expects real service, not only guidance. Front line employees also suffer from overbooking policies in the passenger transportation field, which creates critical incidents with passengers. This study also demonstrates how the loss of work identity and fear of unemployment create emotional overload among customer service employees. In cases B (mutual insurance company) and E (air transportation), employees are hired with a minimum amount of college education. The evolution of their job from a technical job to a commercial one creates a feeling of work identity loss. This job evolution is led by managers without any training or communication. The loss of specialization in their job creates a cognitive overload and the feeling of incompetency. Most customer service employees in France know that carrier evolution can only happen through the adoption of standardized commercial behaviors. They tend to resist that change.
If work roles conflicts and loss of work identity increase job stress, other variables such as social support and organizational culture dampen the intensity of job stress.

**Social Support, Organizational Culture**

Social support is provided both inside and outside the company. Prior literature shows the positive role of managers, colleagues, family and friends on work well-being (Karasek and Theorell, 1990; House, 1979). This research does not test the role of emotional support (family and friends) because of its organizational approach, and its decision to investigate the role of organizational support (managers, colleagues). Our comparative case-analysis clearly showed the importance of colleagues and of a close middle management, Cooper, 1991). In case C (retail company) and D (rail transportation company), a daily support from the middle management is essential for the staff to be able to resist customers’ aggressions. In cases A (telecommunication call centre), B (mutual insurance call center) and E (air transportation company), the role of the middle management is to sanction staff who do not adopt commercial behaviors well enough. Employees call them “procedure managers”. Our research also illustrates the key role of the collective support received either from colleagues or from unions. The lack of social support in cases A (telecommunication call centre) and C (retail company) is a source of additional stress. In the other cases employees tend to support each other, which reduces job stress. A culture of “public service” prevents changes in work organization and in management modes from being too radical and fast. Our work also shows that the presence of a strong technical culture makes it more difficult for any change towards a commercial culture to be implemented.

**Discussion**

This research accomplished each of the objectives identified in the introduction. First of all, it confirms the accuracy of the conceptual frame developed by Chanlat (1999). This research supports the link between organizational work, psychological demands, degree of control and social support, and the level of stress among customer service employees.

Secondly, this research qualifies the nature of work overload. In the customer service sector, overload is physical, cognitive and emotional. The complexification of work induced by an increase in productivity, “polyactivities” and flexibility participate to physical and intellectual overload. (Askenazy, Cartron, De Conink, 2006). In the five cases, employees speak about “work intensification” over the past ten years. New information technologies put a permanent pressure on employees and require them to be more reactive but they don’t always feel able to cope with physical demands. Job security has been increasingly declining, weakening employees even more so as the increase of sales on the internet fosters fears concerning their future (Bendapudi and Leone, 2003).

Third, the results reveal the role of emotions at work which appear as an antecedent factor of distress (Hochschild, 1979). The lack of recognition and the depreciation of employees through Human Resource Management Practices create a feeling of uselessness (Biddle, 1979).
A paradox exists between the importance given to service quality and the depreciation of the employees by their managers. Although common sense commands thinking that the major cause of distress is the behavior of customers themselves, the study shows how managerial practices play a prominent role on the distress experienced by customer service employees in the French service industry. The research thus challenges the widespread idea that customer aggressiveness is the main cause of stress for service employees. People interviewed feel that customers are not a problem. They say they can handle customer-related issues when they know their hierarchy offers them support and consideration if necessary.

Managerial implications

The present research makes three major contributions. The first contribution to the sales management literature is the finding that “taking care of customers” is just an “alibi” for the extra demands imposed on employees in many companies. This phenomenon is developed by Maugeri and alii (2006). Productivity is more important than quality of service. There is a discrepancy between the management’s discourse on the way customers should be dealt with and the low consideration showed to employees. This study identifies that in CRM approaches, the management of employees is not taken into account while they are at the core of the customer relationship process. This research highlights the necessity to evaluate the negative effects and economical cost of some Human Resource Management Practices on service quality.

A second contribution of this research is the emphasis put on the increasing role of middle management. In a context of organizational change, these managers have to play a role which proves decisive in encouraging the employees’ adoption of a commercial culture. Supervisors, in particular, should be trained to facilitate change and take the risk of giving employees more decisional latitude (Batt, 2002).

As a third contribution, this research highlights the necessity to communicate in a context of organizational change (Detchessahar, 2006). Employees are opposed to change when a change in the corporate culture is imposed without any communication. Employees agree to a new commercial culture thanks to a financial bonus. One managerial implication is that managers should help employees to feel better with their new job and should introduce a new balance between Efforts and Rewards (Siegrist, 1996) as they do for sales persons.

Limitations and future research

Some limitations in the present research should be noted. First, a longitudinal approach might better suit an explanation of the distress among customer service employees. Another limitation is the absence of any psychological dimension. This research posits the role of personality as a postulate but its impact on the feeling of distress is not analyzed. The last limitation is the specificity of the frame. Only people aged 25-50 - the majority of them being aged around 45 - volunteered to be interviewed. Future research should include younger people. Another research path could also consist in evaluating the various forms of stress.
among all the customer service employees of a major company implementing organizational changes in its commercial approach. The case of an air transportation company should be an interesting one because of the variety of its jobs in the customer relationship field.

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ABSTRACT

This research applies qualitative methods to explore the experience of different forms of behaviour regulation in the work context, as proposed by Self-Determination Theory (SDT). Within SDT, there has not been complete agreement about the different forms of regulation, and the concept has been little explored in organisational psychology. Interviews with 18 staff from a UK charity identified all 5 forms of behaviour regulation proposed by SDT and template analysis was used to explore the key characteristics of each of these. It also offers some insights about the role of time and of values in the process of internalising behaviour regulation. Finally, an agenda for future research is presented to examine between- and within-person motivation change within the work environment, in the context of reward and job characteristics.

Keywords: Motivation; Intrinsic motivation; Self-determination theory; Autonomy; Reward; Qualitative research

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Introduction

At the centre of the Self-Determination Theory (SDT) of motivation is the belief that human behaviour is inherently self-determined and that the social conditions in which individuals develop and function can either encourage or undermine this, replacing it with the need for external motivators (Ryan and Deci, 2000). SDT proposes a continuum of motivation based on the extent to which it is controlled or autonomous. The different types of motivation along the continuum are commonly seen to manifest themselves as reasons for behaviour (Ryan & Connell, 1989). Reasons that are more autonomous have been associated with positive outcomes such as enhanced performance, creativity, self-esteem and general wellbeing (Gagné & Deci, 2005). SDT is therefore concerned with trying to understand the relationship between social contexts and reasons for behaviour along the controlled-autonomous motivation continuum (Deci & Ryan, 2000). SDT based research is extensive and has been done in a variety of disciplines, particularly education (Guay et al, 2008), health (Williams et al, 1996) and sport psychology (Wilson et al, 2008), but there is surprisingly little research in organizational psychology. The SDT field is dominated by quantitative methods which have the benefit of generalisable results and may allow causation to be inferred, but assume a priori knowledge of the range of possible reasons for behaviour. This, combined with the fact that there is not complete agreement over how the more autonomous forms of motivation should be conceptualised, means that there is a risk that some experiences are not fully understood. This is particularly true in those fields, such as organisational psychology, where the theory is relatively undeveloped. Work by Koestner and Losier (2002) has gone some way to trying to define the experience of some forms of motivation, but not necessarily the full range of regulatory styles, and not within the work context.

This paper is divided into two sections. After reviewing the SDT research to date, and identifying why more is needed to understand the regulatory styles, the first section briefly presents a pilot study building on the work of Koestner and Losier, using qualitative methods to map the experience of the different regulatory styles within the work context. The pilot aimed to explore (1) how workers describe the regulation of motivated behaviour and (2) the emotions associated with the different forms of regulation. This research offers insights into how the regulatory styles are manifest at work and identifies some additional characteristics of motivational experience which have implications for how motivation is measured. The second section presents an agenda for future research to explore further the questions that emerged from the pilot about motivational experience at work.

Self-determination theory

Unlike most other motivation theories which treat motivation as a unitary concept, self-determination theory (SDT) suggests that behaviour regulation is experienced in different ways; due to the intrinsic value of the task, or to the extent to which the external value of the behaviour has or has not been internalised. SDT proposes a continuum of motivation (figure 1) based on the extent to which the regulation of behaviour is experienced as more autonomous (where the value of the behaviour is internalised and little or no external regulation is required) or controlled (where the individual is motivated by external stimulus) (Gagné & Deci, 2005). Intrinsic motivation, defined as motivation due to an inherent interest or enjoyment with the task itself, is innately autonomous and is on one end of the continuum. SDT then proposes 4 forms of extrinsic motivation which can be more of less autonomous. A complete lack of motivation is known as amotivation.
The most autonomous type of extrinsic motivation exists when the individual has fully integrated the regulation of the behaviour with their own interests, values and beliefs. The task is not interesting or enjoyable in itself (and therefore not intrinsically motivating) but will be connected to their sense of self, and feels driven by the individual. If the individual believes in the importance of the task, but does not see it as linked to their wider life goals, their behaviour regulation is identified, which is moderately autonomous. Introjected regulation is moderately controlled, where self-worth is contingent upon performance of the task but the value of the task has not been accepted as one’s own. Behaviour that is externally regulated relies on some kind of external contingency which the individual seeks to obtain or avoid, such as tangible reward or punishment (Deci & Ryan, 2008; Gagné & Deci, 2005; Ryan & Deci, 2000).

The significance of this distinction is that more internalised forms of extrinsic motivation (identified and integrated) have been shown to encourage positive outcomes such as active participation in politics and progression to higher education (Koestner & Losier, 2009) and better well-being and higher performance (Deci & Ryan, 2000) and are negatively associated with turnover intentions at work (Millette & Gagné, 2008). With this in mind, it is important for human resource practitioners and managers to understand how the work context can encourage more autonomous motivation.

Empirical research

Most psychological research examining motivation as defined by SDT can be divided into two broad approaches: (1) Experimental research mainly interested in the impact of external controls on intrinsic motivation; (2) Self-report questionnaires, which are used extensively in applied SDT to explore the differentiated forms of extrinsic as well as intrinsic motivation.

The experimental approach to measuring intrinsic motivation uses either self-report measures or “free-choice persistence” observation (Deci, Koestner and Ryan, 1999). In both of these methods, subjects are commonly given tasks found to be intrinsically interesting (e.g. puzzles or computer games) with a reward condition manipulated for the experimental group. The self-report measure asks the subjects about their level of interest or enjoyment of the task, which is then taken to indicate their intrinsic motivation. When free-choice persistence
methods are used, the experimenter covertly observes persistence on the task once the subject is told that the experiment is over. Persistence on the task in their “free-time” is taken to indicate an intrinsic interest in the task (Deci & Ryan, 2002). The majority of experimental research within the field has supported the suggestion that the introduction of an external contingency diminishes intrinsic motivation (Deci, Koestner and Ryan, 1999). While experimental methods have the benefit of being able to create a relatively controlled environment, where causal relationships may be examined (Boniface, 1994) they have limited applicability in the field as they normally use tasks which do not reflect the kind of activities performed in e.g. the work setting (Gagné & Deci, 2005). In relation to the free-choice persistence measure; continued performance of a task does not necessarily imply intrinsic motivation because other motivational processes, such as self-esteem, could be encouraging the behaviour. Deci and Ryan (1985) suggest that the observer needs to apply judgement to the behaviour of the subjects during the free choice period and where pressure or tension is evident, look deeper into the behaviour to understand what is happening. The limitation to this approach is that pressure or tension can manifest in different ways for different individuals (if at all) and without knowing the “normal” behaviour of the individual it might be difficult to tell when they are present. In addition to this, even if we accept that free-choice persistence does indicate intrinsic motivation, it is difficult to accurately identify through observation in this way the existence of the different forms of extrinsic motivation, so is not suitable for studying the whole SDT continuum. One significant benefit of this method however, is that it does not rely on self-reported motivation and it may be possible to observe both conscious and unconscious motivation as manifest in behaviour.

The majority of the applied SDT research uses self-reporting methods, after a survey developed by Ryan and Connell (1989). These authors propose that each form of motivation is reflected in different reasons for behaving. The measure includes statements relating to the different reasons which respondents rate on a likert scale based on the extent to which they are true for them. For example, in Ryan and Connell’s original, which was designed for use in an educational setting, “Because I’ll get into trouble if I don’t” relates to external regulation and “Because I want to learn new things” reflects identified regulation. Ryan and Connell’s method has since been used widely within domain-specific SDT research in a number of contexts including education (Deci et al. 1991; Vallerand & Pelletier, 1992), sport (Pelletier et al., 1995), elderly care (Vallerand & O’Connor, 1989) and religion (Ryan et al, 1993). In the work context two scales have been developed in English; the Work Extrinsic and Intrinsic Motivation Scale (WEIMS; Tremblay et al, 2009) and the Motivation at Work Scale (MAWS; Gagne et al., 2010). It is widely acknowledged that self-report measures rely on the individual being able to accurately identify the reasons for their behaviour and Ryan and Connell (1989) admit that their survey has limitations in uncovering honest self-reported reasons for behaviour and implicit motivational processes.

The definition of the regulatory styles has been problematic within SDT research. Koestner and Losier (2002) identified some of the key concepts underpinning the different styles (figure 2), which is a useful development in understanding how to identify the different forms of regulation. However, they focused only on intrinsic, identified and introjected regulation. Vallerand and Pelletier (1992) omitted integration from their Academic Motivation Scale as did Gagne et al (2010) in their MAWS because factor analyses of experimental data found that integration did not differentiate itself from identification. This may be because identification and integration are conceptually close and therefore difficult to differentiate with items on a scale, or it could be because integration is not easily cognitively accessible because it is often habitual. Williams and Deci (1996) on the other hand include integration but leave identification out. Aside from Koestner and Losier’s, there has been
little, if any, published research to examine how the different forms of behaviour regulation manifest themselves. Existing measures of the motivation types are often based on experimental research or scales developed for use in other contexts. Although this means that construct validity has been established many of the existing scales, without an insight into the full range of possible behaviour, might not necessarily be sensitive to all forms of motivated behaviour specific to each domain. It seems, therefore, that there is still more to be learnt about the more autonomous motivation and I am not aware of any published research within the work domain to establish whether or not the distinction between integration and identification is relevant.

Considering several of these limitations, namely; an inconsistent approach to defining the motivation types and a lack of published research into how behaviour regulation is manifest, it seems that the field could benefit from more work to explore the continuum. Qualitative methods have particular strengths in discovering the underlying causes of behaviour (King, 2004); allowing new themes and ideas to emerge (Pratt 2009); looking to understand the world from the point of view of the subject (Bryman & Bell, 2006); are well placed to understand the complexity of behaviour regulation and contextual factors within an organisational setting (Randall et al, 2007); and are particularly good at answering “why” questions (Pratt 2009). Qualitative research could therefore help researchers to develop a more full understanding the constructs posited by SDT.

<table>
<thead>
<tr>
<th>Conceptual features</th>
<th>Introjection</th>
<th>Identification</th>
<th>Intrinsic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involvement level</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Emotional experience</td>
<td>Negative</td>
<td>Positive</td>
<td>Positive</td>
</tr>
<tr>
<td>Locus of causality</td>
<td>External</td>
<td>Internal</td>
<td>Internal</td>
</tr>
<tr>
<td></td>
<td>(Controlled)</td>
<td>(Autonomous)</td>
<td>(Autonomous)</td>
</tr>
<tr>
<td>Motivating force</td>
<td>Compulsion</td>
<td>Personal importance</td>
<td>Attraction (interest)</td>
</tr>
<tr>
<td>Regulatory guide</td>
<td>Conditional self-regard</td>
<td>Values &amp; identity</td>
<td>Emergent emotions</td>
</tr>
<tr>
<td></td>
<td>(Learned)</td>
<td>(Learned)</td>
<td>(Innate)</td>
</tr>
<tr>
<td>Goal orientations</td>
<td>Approach/avoidance</td>
<td>Approach</td>
<td>Approach</td>
</tr>
<tr>
<td></td>
<td>(Conflicted)</td>
<td>(Long-term/outcome)</td>
<td>(short term/process)</td>
</tr>
<tr>
<td>Needs implicated</td>
<td>Autonomy vs. relatedness</td>
<td>Autonomy &amp; relatedness</td>
<td>Autonomy &amp; competence</td>
</tr>
<tr>
<td></td>
<td>(Conflicted)</td>
<td>(Congruent)</td>
<td>(Congruent)</td>
</tr>
</tbody>
</table>

Figure 2 (Koestner and Losier, 2002)

A pilot study was undertaken, employing qualitative methods, with the aim to expand our knowledge of the experiences of behaviour regulation at work and uncover the complexities, distinctions and overlaps between the types of behaviour regulation proposed by SDT. A number of questions uncovered by the pilot are also discussed and proposals for future research to answer these are presented.

Pilot study

This pilot builds on the work of Koestner and Losier (2009) to expand the definition of key concepts to integration and external regulation. To do this it will answer the following questions:

1. How do workers account for different forms of highly motivated behaviour at work?
2. What emotions are experienced in relation to different forms of regulated behaviour?
Methods

Semi-structured interviews were undertaken with 18 staff from a UK charity; 5 male and 13 female, spread evenly across 4 job grades and across length of service (6 in each category of less than 2 years, 2-5 years and over 5 years). The interviewer was an employee of the charity and therefore had a relationship with the subjects and a detailed understanding of the organisational context. To ensure that this relationship did not adversely affect the data the subjects were assured of the anonymity of their responses and that the purpose was purely academic and would not be fed back to the organisation.

An interview protocol was devised from language used in the WEIMS (Tremblay et al, 2009) and from 2 pilot interviews but was flexible, allowing the interviewer the opportunity to ask more detailed questions where appropriate. Notes were taken by the interviewer on a laptop and the accuracy was confirmed with the respondent before leaving the room (Randall et al., 2007). Respondents were asked to describe a situation where they had worked hard at work today. The aim of this question was to draw out a specific example of motivated behaviour, without implying any one form of motivation. If they deviated from a specific example this was not stopped if it was useful for answering the research questions. In total, 108 examples of incidents of motivated behaviour were gathered. They were then asked to give examples where they had worked hard for reasons connected to the regulatory styles. For example, “...a task or activity that you have worked hard on at work today mainly because you were interested in or enjoyed the task” related to intrinsic regulation and “...because it felt personally important to you or connected with your personal values in some way?” represented integrated regulation. Follow-up questions were asked appropriate to the responses to find out, for example, how they felt about doing the task, whether they had always felt that way about it, whether they expected to feel the same in future, or how important the task was to them. Global impressions of work are likely to be influenced by mood, so using a task-specific approach is designed in part to avoid this bias (Reis et al, 2000). It also enables the respondent to “hook” their experiences to tangible examples in a context developed by themselves rather than abstract emotions (Chell, 2004).

For the purposes of this research template analysis will be employed which describes a group of techniques for identifying themes in textual data (King, 2004). Template analysis emphasises a pragmatic and flexible approach to coding data enabling the researcher to not only test theories established prior to data collection but also to allow new ideas to emerge (Randall et al., 2007). It is also less time consuming than some other qualitative data analysis because the researcher does not need to continue coding the data to saturation but can choose to delve only into those areas more pertinent to the research questions (King, 2004). An initial template was developed following a review of relevant literature and the pilot interviews. The individual interview notes were read through several times and sections of text were colour coded in line with the codes in the initial template. The segments of text were then re-grouped into their individual codes. Hierarchical coding was used so each time the segments of data were re-grouped these were read through and coded to a further level of meaning where appropriate. A coding dictionary, including definitions and examples of each code, was developed to ensure consistency. This was an iterative process that continued as the data was analysed and interpreted and codes were inserted, deleted or re-grouped as necessary (King, 2004).

Results and discussion

The main purpose of this paper is to set out an agenda for researching the unanswered questions coming out of the pilot, not to therefore present the findings of the pilot study in full. The following section briefly discusses the key characteristics that were identified in
relation to the different regulatory styles. The themes and questions that were drawn out of the pilot will be presented in more depth, leading into the discussion about future research.

**The SDT continuum**

In the initial template, descriptive codes were used in relation to the SDT continuum. In the data describing “reasons for working hard” the codes are: Reasons intrinsic to the task; Reasons that are integral to the self/ habitual; Reasons congruent with beliefs and values; Reasons connected to the ego; and Reasons due to external controls. Initially definitions of each of these regulatory styles, drawn from SDT literature, were used to ensure consistent coding. These then evolved throughout the coding process as the data analysis helped to refine these. Every time the definition was revised, the data was reviewed and re-coded if necessary. All of the data relating to reasons fit within these codes, supporting the construction of the SDT continuum. Each of these level two codes was analysed to at least one further level, depending on the complexity of the data until a full picture emerged of the experience of that regulatory style.

<table>
<thead>
<tr>
<th>Conceptual features</th>
<th>Emotional experience (focus)</th>
<th>Motivating force</th>
<th>Regulatory guide</th>
<th>Goal orientations</th>
<th>Stability</th>
</tr>
</thead>
<tbody>
<tr>
<td>External</td>
<td>Negative (towards task)</td>
<td>Reward &amp; punishment</td>
<td>External contingency (Learned)</td>
<td>Approach/ avoidance</td>
<td>Unstable – dependant on contingency</td>
</tr>
<tr>
<td>Introjection</td>
<td>Negative (avoidance) Positive (approach)</td>
<td>Compulsion</td>
<td>Conditional self-regard (Learned)</td>
<td>Approach/ avoidance (conflicted)</td>
<td>Unstable – linked to delicate ego</td>
</tr>
<tr>
<td>Identification</td>
<td>Neutral or Positive (towards outcomes)</td>
<td>Personal importance or benefit</td>
<td>Externally influenced values (Learned)</td>
<td>Approach (long-term/ outcome)</td>
<td>Somewhat stable – value of outcome fragile</td>
</tr>
<tr>
<td>Integration</td>
<td>Positive (towards outcomes)</td>
<td>Values &amp; beliefs</td>
<td>Self-determined values</td>
<td>Approach (long-term/ outcome)</td>
<td>Long-term stability – value is self-determined</td>
</tr>
<tr>
<td>Intrinsic</td>
<td>Positive (towards task)</td>
<td>Attraction (interest)</td>
<td>Emergent emotions (Innate)</td>
<td>Approach (short-term/ process)</td>
<td>Stable or unstable – depends on source of IM</td>
</tr>
</tbody>
</table>

Figure 4: Summary of features of regulatory styles

Once the data was coded into the individual regulatory styles, the key features of each style were identified, building on the research by Koestner and Losier (2002), and are summarised in figure 4. The majority of the features identified by these authors (see figure 2) have been confirmed in this research. The experience of external regulation and integration have been added to the model and an additional feature has also been added: the stability of the regulation. The involvement level in Koestner and Losier’s model has not been included because this research was only interested in highly motivated behaviour so this would have been the same for all of the types. Locus of causality and needs implicated have also been omitted as this research did not draw out enough information on these features.
There were a number of significant findings from the research in respect of the regulatory styles and how they relate to one another: In relation to intrinsic motivation, Koestner and Losier (2002) found that it was less likely than internalised motivation (in their case identified regulation) to encourage active participation in voting during an election and in students progressing to college. They observe that in life domains where tasks will often not have an intrinsic interest (which could be said about work), internalisation should be encouraged over intrinsic motivation because selecting tasks with intrinsic value in such a situation might be unhelpful to active participation. Two examples emerged from the data which support this suggestion, in which respondents described tasks as interesting but not useful: “[I worked hard because] they were interesting but not really that important.” (MA); “There have been aspects of that that I probably researched a lot more thoroughly because I enjoyed them. I didn’t really need to go into that much depth” (TE). SDT has traditionally treated intrinsic motivation as the most desirable form of motivation in all domains but this indicates that this might not always be the case. This certainly warrants further investigation and could have implications for SDT research in an occupational setting.

As discussed above, much empirical research doesn’t make the distinction between identification and integration as forms of regulation. Although integration does appear to be conceptually very close to identification, these are several examples which can clearly be distinguished in this sample. The key distinction between these two concepts is the role of values as the motivating force. In this example, AP describes the importance to him of sharing the organisation’s values as part of his identity, supporting the theoretical definition of integration:

“The role I do, the reason I work for this organisation, is because its values are aligned with mine and that’s what brings me to work in the morning...it would be depressing to think that there are certain tasks that aligned to my values and other things didn’t. I am really values driven.” (AP)

To say that he identifies with the value of his behaviour underestimates the level of integration that the organisation’s values have with his own, self-set values. On the other hand, when regulation is identified it is because the individual believes in the importance/value of the task but has not fully integrated it with their own values as in these examples: “I worked hard because...I know that it’s important to internal and external stakeholders” (LH); “it helps me to reflect on the meeting, which is important in my role as project manager” (DH). The implications of this are that there appear to be two distinct, if very close, experiences of motivation which may then be related differently to behavioural and psychological outcomes, which would warrant further investigation.

Recent research within SDT has suggested that introjection can be further divided into behaviour regulated by internal pressure to avoid negative emotions such as guilt, shame or damage to pride or to approach positive feelings including pride or increased self-esteem (Assor, Vansteenkiste, & Kaplan, 2009). This is supported by this research where there was a clear association between positive emotions and approach (“When I have to do this kind of task I feel that it’s nice to be asked. It feels that I’m trusted so it’s quite complimentary” LMc) and negative emotions with avoidance (“if I haven’t done a job properly I feel bad...It’s not nice when you’re feeling like that, I feel bad about myself” TE).

The examples of behaviour regulated due to external controls, whether to gain financial reward or recognition or to avoid reprimand, were entirely associated with negative emotions: “when I was working hard like this sometimes it was stressful because I kept thinking, ‘I really hope this is recognized’ (BH); “There’s an element of fear – I know the repercussions of not doing it could be severe” (DH); “I didn’t enjoy it – I had to do it to get
promoted” (CW). This supports the assertion within SDT that externally regulated behaviour is commonly associated with negative psychological outcomes.

These findings broadly support the distinction of 5 forms of behaviour regulation, experienced in different ways. It also tentatively suggests that, in some cases, integrated regulation may be associated with positive outcomes more than not only external regulation, but also some forms on intrinsic motivation. This brings in to doubt whether the use of an aggregate score, like the Relative Autonomy Index which is commonly used in analysis of quantitative scales (Lam & Gurland, 2008) and gives the most positive weighting to intrinsic motivation, is a valid measure within the work environment. In addition to this, further research is needed to explore whether the differentiation between identification and integration is evident in other work environments and, if so, researchers need to find methods for dealing with this subtle distinction.

Motivation over time

Motivational change over time is central to SDT which proposes both that individuals have a natural tendency to internalise regulation if left to their own devices but that environmental factors can shift the focus of motivation towards an external control over time. Research has been done to explore the internalisation process in the relatively short-term (Deci et al, 1994; Williams & Deci, 1996) and over a lifetime (Sheldon & Kasser, 2001). The present research explored self-reported changes in motivation over time by asking respondents whether they had always felt the same way about the task that they described and whether they expected to feel the same in future to ascertain the stability of the motivated behaviour. The evidence suggests that different forms of regulation change at different rates. Intrinsic regulation when focused on doing something new or different appears to be short-lived in relation to the other forms of intrinsic motivation, as in these examples:

“You refresh the way you do things occasionally and it’s interesting then as you get more comfortable you bed back down into neutrality.” (AP)

“I think I would feel the same...it would be fun but...by the time I’ve worked on something for weeks I’m always a bit tired of it and want to move on.” (TE)

In this case, the passage of time has reduced the overall motivation, and the individuals no longer have any interest in the tasks, which could be because the task no longer offers enough challenge to make the individuals feel competent. There was no evidence about the stability of integrated or identified regulation but it seems sensible to suggest that activities that are more connected with the individual’s values are likely to be more stable and the motivation for such activities is likely to develop over time as it links to one’s values but this would warrant further investigation. Introjected regulation, contingent on ego-related processes, is fragile and as it is driven by individual’s perceptions of themselves through their interactions with others, can change in a very short space of time. For example, AP explained how he was motivated to speak to a room full of people because of pride (“there’s a certain pride, standing up in front of 200 people”). If he arrived at the presentation venue to find that very few people had turned up, his introjected motivation could rapidly diminish. Again, there was no evidence from the interviews about the stability of externally regulated behaviour but it seems probable that motivation that is directed at an external contingency has no internal stability; if the contingency is taken away or changes the motivation could also change or diminish, or a motivating force could become amotivating, for example if it is no longer seen as fair or valuable. Motivation due to reward or “punishment” is also liable to be initiated quickly as the impact of the contingency should be immediate in most circumstances. For example, if someone was asked to take on additional responsibility (that had no other value to them) in exchange for additional pay, the motivation to do this would normally be instant.
There are also examples of motivation developing over longer periods of time due to interactions with the environment. In both of these examples, the individual’s experiences and interactions with their working environment have helped to internalise the regulation. Specifically, LMc and PD both describe their self-evaluations in relation to interactions with other people in helping them to internalise the behaviour:

“In the last 6-9 months my feelings about work have changed... someone told me to think bigger picture about where I want to go outside of here and gave me new ways to think about my work which helped to inspire me.” (LMc)

“The importance of customer care fell into place the first job I had dealing with customers. I heard colleagues giving a really naff response and I thought “what kind of impression are you giving? You sound so bored”...I think subconsciously I was aware of my own poor experience of customer care so I want to treat them as I want to be treated” (PD)

The following example from BF supports Sheldon and Kasser’s (2001) findings that, as they get older, people will be more inclined to experience their motivation autonomously. BF’s internalisation has resulted from her direct experience and increased feelings of competence.

“I’ve probably not always enjoyed it. As I’ve got older and got more work experience I know that I’m good at organising and planning. The fact that I know that I’m good at it makes it more enjoyable.” (BF)

The implication of these findings, although tentative, is that any interventions designed to encourage internalisation may take some time to have the desired effect on motivation, whereas the impact of reward or “punishment” could be instantaneous. The notion of time is also important for the design of research interested in changes in motivation. Even longitudinal research, if not done over a long enough period, may only capture changes in the less stable forms of motivation (external, introjected and intrinsic for a task because it is new).

**Hierarchy of motivational experience**

Vallerand and colleagues (Guay et al, 2003; Vallerand, 2000) propose that motivation operates at 3 different levels: global (personality), domain (e.g. work) and situational (task or activity), which impact on one another. There are several examples from the interviews of motivation operating at different levels. For example, AP discussed the distinction between situational and domain level motivation: “One of the main reasons that I come to work is because I find it interesting and enjoyable but interesting tasks? I’m not sure I can unlink them... it’s not just about individual tasks but about the role I do and how it contributes to the wider organisation.” (AP). BH explains how her domain level motivation impacts on her task motivation: “I really care about our grant making, and all of our work obviously helps that...I do think that this plays a big part in doing some boring things at work, I know that it helps in the end” (BH). The majority of SDT research measures motivation at the global (e.g. General Causality Orientation Scale; Deci & Ryan, 1985) or domain level (e.g. MAWS, Gagne et al., 2010; WEIMS, Tremblay et al., 2009 in the work domain). The research that has been done about motivation at the situational level has primarily been experimental. Exceptions to this are Levesque and Brown (2007) who explored situational motivation in college students and Gagne et al (2003) whose sample included adolescent gymnasts. Significantly, Gagne et al found that the relationship between contextual factors and motivation was different at a general level than at within-person day to day level. In the light of this research it seems important to consider motivation and aspects of the work context at different levels in order to get a full picture of motivated experience.
Feedback

One other important observation in relation to motivational experience is the role of feedback. Although not prompted by the interview protocol, the participants revealed a number of examples of feedback received in relation to their motivated experience. Four different dimensions of feedback were evident: Positive vs. negative, direct vs. indirect (“[if it goes well] everyone’s happy, the CEO’s happy” LH), expected (“I seek feedback” KA) vs. unexpected (“I got loads of thank you emails...which was nice” JL) and verbal vs. non-verbal (“[it’s] good reward when I can see the look on someone’s face when it’s right” JL). As this was not a direct aim of the research the examples are not as rich so it is not possible to glean much more about the experience but this complexity in the nature of feedback is an important consideration for future research on the subject, which is discussed in more detail in the next section.

Conclusion

It is important to recognise the limitations of this study; it is a small scale study and therefore not generalisable across all work organisations and it utilises self-reports of motivated behaviour therefore relying on conscious awareness of the motivating forces. However, it offers some insights which warrant further investigation and which could have important implications for SDT research within organisational psychology. The indication that all 5 forms of extrinsic motivation exist within the work environment and the suggestion that integrated extrinsic motivation could be more beneficial for active participation than intrinsic motivation alone are important considerations for any research wishing to understand the full range of motivated behaviour. The suggestion that the regulatory styles are affected by the passage of time in different ways and at different rates is also an important consideration for SDT research, which should take this into account particularly when trying to establish causation between contextual factors and internalisation. Overall, this research suggests that we do not fully understand the experience of behaviour regulation at work and work-based SDT would benefit from exploring this further.

Future research

The following section presents a number of research questions, some deriving from the pilot study and others which have not yet been explored, and a conceptual framework through which to explore them. There will follow a brief discussion on suitable methods to examine these research questions and suggestions for future research.

The findings of the pilot study lead to these questions about the nature of motivational experience in the workplace. Their purpose is to understand both within person and between person variations in motivation and how motivation changes over different timescales:

1. How does the experience of motivation change within-person on a daily basis?
2. How does motivation interact between the levels of stable individual differences (global), general work motivation (domain) and daily motivational experience (situational)?

Although the concept of subconscious motivation is not new, the majority of motivation theories still treat motivation as a conscious process (Kehr, 2004). Within SDT, the focus of motivation is conceptualised as the individuals’ perceived locus of causality after work by deCharms (1968) and as such is about their conscious attributions of reasons for behaviour. However, it seems likely that there are also unconscious processes impacting on motivated behaviour and there is a growing body of work which indicates that implicit motivation is
independent to conscious motivation and how it relates to behaviour (Levesque, Copeland, & Sutcliffe, 2008). The majority of this research is lab-based and I am not aware of any applied research within the work environment exploring implicit motivation. One of the primary aims of SDT is to be able to predict the impact of the environment on motivation through fulfilment of basic needs. In order to fully examine this connection it seems important to be able to understand not just explicit but also implicit motivation:

3. How does implicit motivation operate and how does this relate to explicit motivational experience?

Central to SDT is the proposal that interactions with the environment can cause changes in the type of motivation experienced. One of the defining aspects of the work environment is the existence of pay in return for work. A significant amount of research within SDT has explored the relationship between reward and motivation, primarily in lab conditions, and found reward to undermine intrinsic motivation (Deci, Koestner, & Ryan, 1999). However, there has been no applied research to explore the relationship between reward and the different motivation types within the work environment, where reward is an economic reality. Future research should therefore explore the relationship between aspects of reward with motivational experience. Reward includes both financial aspects of pay and benefits and the non-tangible reward of feedback:

4. How do different approaches to reward relate to autonomous, relative to controlled, motivation?

5. How does the receipt or withdrawal of reward affect changes in the focus of motivation?

It is also important to consider the psychological processes through which individual’s evaluate the reward, for example; perceptions of justice, equity and the extent to which the reward fulfils basic psychological needs (Gagne & Forest, 2008):

6. How do psychological processes affect the reward-motivation relationship?

It also seems important for organizations to understand how the different types of motivation relate to behavioural and psychological outcomes. Within SDT research, a number of positive outcomes have been positively associated with support for autonomy, including; acceptance of organisational change (Gagne, Koestner, & Zuckerman, 2000) wellbeing (Baard, Deci, & Ryan, 2004; Kasser, Davey, & Ryan, 1992), satisfaction and adjustment (Iardi, Leone, Kasser, & Ryan, 1993), and prosocial behaviour (Gagne, 2003) and negatively associated with emotional exhaustion and turnover intention (Richer, Blanchard, & Vallerand, 2002). These have not, however, been explored in relation to how the different types of motivation along the continuum might relate differently to outcomes. Research is therefore needed to answer the following question:

7. What psychological and behavioural outcomes relate to the different types of motivation, as proposed by SDT?

Previous research has indicated that aspects of the work environment such as job demands (Fernet, Guay, & Senecal, 2004; Van den Broeck, Vansteenkiste, De Witte, & Lens, 2008), managerial support (Deci, Connell, & Ryan, 1989) and job characteristics (Gagne, Senecal, & Koestner, 1997) relate to motivation in different ways so it seems important to understand how contextual factors such as these might affect the relationship between reward and motivation. In addition to this, individual differences such as one’s global orientation towards experiencing the environment as motivating or not, referred to within SDT as causality orientation (Deci & Ryan, 1985) are important to consider.
8. How do aspects of the work context and individual personality factors affect the reward-motivation relationship?

Based on the above questions, the following conceptual model is proposed:

**Proposed methods**

This section offers a proposal for future research to explore the above questions. The field could benefit from examining these questions in a number of different occupational settings. For example, a traditional public sector organization, a charity or social enterprise and a strongly reward focused private company could provide contrasting approaches to reward. Mixed methods research would also be beneficial, utilising both a longitudinal survey and diaries of daily motivational experience. The benefits of combining a survey and diary are twofold: Firstly to examine relationships between stable attitudes/perceptions and more dynamic everyday phenomena and processes operating at task level; and secondly to provide breadth and generalisation through the surveys (external validity) and depth and greater confidence in causality through the diary method (internal validity).

**Longitudinal survey**

Although they rely on self-reported perceptions of constructs, the benefit of survey methods is that they enable large amounts of data to be collected relatively easily enabling generalisable results (Bryman & Bell, 2006). Longitudinal surveys enable construct validity to be examined and may allow causation to be inferred. By administering a survey, for example, two months prior to the annual pay and/or bonus review and then one month after, it may be possible to examine to some extent the causal relationship between changes towards attitudes to reward and working conditions, changes to the type of motivation experienced towards work, and changes in well-being and behaviour. As discussed above, the vast majority of research utilising SDT in applied settings uses survey methods and, as such, there are a number of established scales to measure the different constructs as proposed by the theory: In order to examine the above questions, a survey should include measures of the motivation force (e.g. Motivation at Work Scale; (Gagne et al., 2010); causality orientation (e.g. General Causality
Orientation Scale; (Deci & Ryan, 1985) perceptions of the work environment (e.g. Work Climate Survey and Problems and Work Scale; Deci et al., 1989), and self-reports of behavioural and psychological outcomes (e.g. engagement, satisfaction, turnover intention). It would also be beneficial to examine the extent to which the work environment fulfils individual’s basic psychological needs which have been shown to be related to more autonomous motivation (e.g. Basic Psychological Needs Scale; Kasser et al., 1992). Organization records can be used to gather information on employee behaviours, such as performance ratings, absence, and turnover alongside the survey data.

Daily motivational experience

Methods to capture daily or momentary experiences are relatively widely used in social and medical studies but are much less prevalent in organisational studies (Beal & Weiss, 2003). Within SDT, Reis and colleagues (Reis et al., 2000; Sheldon, Ryan, & Reis, 1996) have published research exploring the relationship between need fulfilment and wellbeing as proposed by SDT. Levesque and Brown (2007) and Gagne et al (2003) utilised diaries to examine day-level motivation as proposed by SDT but neither of them within the workplace. The most prominent example of research into daily motivational experience is from Mihalyi Csikszentmihalyi, who is interested in the experience of intrinsic motivation (which he refers to as Flow). He and his colleagues developed a measure of Flow experience on a daily basis known as the Experience Sampling Method (ESM) (Csikszentmihalyi & Larson, 1987). The ESM was the first example of signal-contingent diary studies in which respondents complete a diary entry every time a pager signals them to do so, at random intervals during pre-defined time slots. Diaries are commonly distinguished by their sampling method; signal-contingent, event-contingent or interval-contingent. Entries are made in event-contingent diaries when certain pre-defined events occur (e.g. social interaction) and interval-contingent diaries are completed a pre-defined time intervals (e.g. at the end of every day) (Reis & Gable, 2000).

Interval contingent recording is suggested as the most appropriate method for examining daily motivational experience by asking respondents to record, at the end of each working day, an episode of highly motivated behaviour from that day. By focusing on critical incidents in this way the quality of examples of likely to be higher than if utilising signal contingent recording which relies on the sampled experienced. Although this method introduces an element of recall bias, in that respondents must think back to earlier in the day, this is significantly less than when capturing general attitudes through surveys or interviews (Bolger, Davis, & Rafaeli, 2003). Like Csikszentmihalyi’s method, the diaries could contain a combination of open questions and rating scales. Participants record qualitative examples of critical incidents of motivated behaviour that day, for example a description of why they put effort into the task, how they felt about it, how successful they deemed it to be, and who else was involved and what their involvement was. They then respond to quantitative questions in relation to this, measuring broadly the same variables as the survey, but whereas surveys collect data about relatively stable general perceptions, the diary focuses on situation specific experiences of motivation, rewards and the social context, as perceptions and feelings vary on a day-to-day basis.

Reward characteristics

There is not currently an established categorisation of workplace reward practices which can lead to unhelpful inconsistencies in the way that they are researched. In order to compare aspects of the reward strategy, researchers would benefit from an inventory of factors by which to conceptualise organizational reward strategies. A number of authors have also discussed the characteristics of individual aspects of reward, such as variable pay (Miceli & Heneman, 2000), performance related pay (Rynes, Gerhart, & Parks, 2005) and reward
culture (Von Glinow, 1985) but there is very little bringing these together. Gagne and Forest (2008) have proposed, although not yet tested, the following characteristics of financial reward: (1) the monetary value of pay; (2) the perceived equity of the total package; (3) the ratio of fixed vs. variable pay; (4) the objectivity of the performance appraisal upon which variable compensation is based; (5) the extent to which compensation is based on individual or group performance. These would benefit from being tested and further developed by modelling real-life organizational reward strategies from a number of organizations against them. The characteristics of financial reward can be measured through organizational records (e.g. monetary value of pay, fixed-to-variable ratio, and the extent to which it is group vs. individual based) and through the survey (e.g. perceived equity and justice of pay, perceptions of the objectivity of the performance rating).

The longitudinal research proposed above would go some way to examining the impact of the introduction or withdrawal of reward: Measuring motivation before and after the annual pay award for example, it would be possible to examine the impact of a change in the amount of reward for those people whose reward had changed from the previous year. It would also be particularly interesting to examine motivation in organisations where the reward strategy as a whole is changing to examine the impact of this.

Feedback is also an important aspect of reward practices, although more intangible. Building on the findings of the pilot study and on previous research, the following characteristics of reward are proposed: positive/negative, direct/indirect, expected/unexpected, strong/weak (Mouratidis, Vansteenkiste, Lens, & Sideridis, 2008), verbal/non-verbal (Allen & Howe, 1998), public/private (Belschak & Den Hartog, 2009), and informational/controlling (Ryan, 1982). Feedback is a more complex construct to measure but there is a significant body of research within field-based organisational, sport and education psychology which utilises either observations of feedback or self-reported perceptions of feedback (Allen & Howe, 1998; Koka & Hein, 2003; Mouratidis et al., 2008). However, there is no measure which examines the range of characteristics proposed above so the development of such a scale would be beneficial.

Implicit motivation

There are numerous measures designed to access implicit processes or attitudes, although they are still not commonly used in motivation research. Wittenbrink and Schwarz (2007) make the distinction between measures that are spontaneous in that they rely on participants response time to assess the accessibility of a concept, or deliberative, which access the extent to which attitudes influence perceptions of, or cognition about objects or events. Spontaneous measures most commonly require a lab environment because they utilise response times and therefore need tighter controls on conditions, and the majority are designed for dual concepts (e.g. happy/unhappy) (Levesque and Brown, 2007). Deliberative methods normally present participants with some kind of stimulus (a description or image of a scenario) and ask them to interpret what they see.

Within SDT, priming has been used to activate implicit needs or motives, primarily within a lab environment (Burton, Lydon, D’Alessandro, & Koestner, 2006). Priming relies on a controlled environment so is not well suited to field-based research and one type of motivation is primed at one time so is not ideal for examining the more complex differentiation between the different types of motivation. Levesque and Brown (2007) used the Implicit Apperception Test (IAT) to access implicit autonomous orientation. The IAT is a frequently used spontaneous method which presents participants with pairs of categories on a screen and measures their response time in relation to sorting words into the pairs (e.g.
self/not self, positive/negative) to examine implicit associations between concepts (e.g. self-positive, self-negative). However, as with other spontaneous methods, it is only possible to measure dual concepts with this approach.

In wider motivation research, implicit motives are a central proposition within McClelland’s work which suggests that individuals are driven by motives, such as achievement, power and affiliation. He and his colleagues designed the Thematic Apperception Test (TAT) in which participants write creative stories about a set of pictures which are then coded for evidence of one of more of the motives. The motives evident here are said to be implicit in that the participants are not describing themselves but rather neutral stimulus (McClelland, 1987; McClelland, Koestner, & Weinberger, 1989). There has been disagreement over the validity of the TAT (Spangler, 1992) but it has seen improved validity and reliability over time (Bosson, Swann, & Pennebaker, 2000). Although significant work would need to be done to develop a reliable coding framework, a similar method could be developed in relation to the SDT motivation types. The implicit measure could then be administered alongside a longitudinal survey capturing explicit motivation as implicit and explicit motivation have consistently been shown to be unrelated variables (Ferguson, Hassin, & Bargh, 2008; Levesque & Brown, 2007).

Analysis

Using structural equation modelling to analyse quantitative data collected through the survey and diaries would allow an examination of the relationships between reward, individual differences and work conditions and the motivation types experienced and related psychological and behavioural outcomes. Multilevel techniques would enable motivational experience at both within-person and between-person levels to be examined. Qualitative data collected through diaries as described above is commonly not analysed (Cassell & Symon, 2004) but content analysis using a method such as template analysis (King, 2004) or Interpretive Phenomenological Analysis (IPA; Thompson & Osborn, 2003) would allow a more in-depth examination of the experiences of motivation and conditional factors and possibly further development of the quantitative measures.

Conclusion

Self-determination theory offers a definition of motivation which recognises the variety of motivational experience. However, the pilot study has indicated that we do not yet understand enough about the experience of motivation at work to be able to examine with confidence the relationship between management practices and different types of motivational experience. Further research has therefore been proposed to explore motivational experience in relation to one specific form of management practice; reward.
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ABSTRACT

Despite the number of theories and studies linking human resource management to individual, unit and organisational performance, the picture remains mixed, with insufficient clarity on how this link works. The multi-dimensional model put forward (Bowen & Ostroff, 2004) has aroused considerable interest among HRM researchers because of the potential of the model to explain ‘the how’ of the potential link between HRM and performance due to its focus on the employee and on the psychological and organisational climate derived from the strength of the HRM system. Attempts to test HRM system strength have been few and have also not attempted to test all the features and meta-features expounded by Bowen and Ostroff in their model. The present study describes the development of a scale to measure HRM system strength. It presents findings from a pilot study based on 158 respondents that the features under the three broad meta-features emerge reasonably well, but the expected higher level meta-features and factor structure are not confirmed as expected by the model.

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Introduction

Many studies demonstrate associations between sets of HR practices or ‘high performance work systems’ and indicators of performance, such as turnover, profits and market share (e.g. Huselid, 1995). However the process through which this happens and the characteristics of HRM systems remain unclear and there are frequent calls to address this research gap (e.g. Bowen & Ostroff, 2004). This paper begins by outlining HRM–performance relationships as a context to the research, followed by some of the notable limitations of HR content conceptualisations, and the need for approaches that consider features of HR systems, such as Bowen and Ostroff’s recent model based on attributions. We then discuss the development of a new measure of HRM system strength based on Bowen and Ostroff (2004) and present a preliminary study.

Context: HRM-performance links

Many studies support links between content measures of HR practices and performance (Boselie, Dietz, & Boon, 2005). Content measures of HR practices typically include bundles of practices from lists including selection, appraisal, training, teamwork, communication, job design, empowerment, participation, performance related pay/promotion, harmonisation and employment security. For example, (MacDuffie, 1995) showed the link between HR practice and productivity and quality. Delery and Doty (1996) reported significant relationships between HR practices and profits in their study in banks, while Guthrie (2001) found HR practices to be linked to turnover and profitability. Huselid and Becker (2000) claim that the effect of one standard deviation change in the HR system contributes to 10-20% of a firm’s market value.

However, several researchers are sceptical about the effects of HR on performance (e.g. Wright et al., 2005) because of many methodological flaws. Firstly, most HRM studies rely exclusively on subjective data from HR managers. Guest (1997) and Schneider et al (2003), among others have questioned the ‘causal distance’ between an HRM input and outputs based on financial performance due to the range of other internal and external variable/events and reverse causality which could impact on the relationship. They argue for the use of more ‘proximal’ outcome indicators. Guest (1999) is of the view that employees’ perception of HR practices is critical in evaluating the impact of HRM while much of the research represents only the employer perspective.

If HRM activities are to have an impact on HRM outcomes and firm performance, this will take place only if worker attitudes and, in particular, worker behaviour are affected (Guest, 1997; Purcell et al, 2003). They suggest focusing on outcome indicators which are more closely located or proximal to HRM interventions. Such measures could include the effectiveness of HR practices, employee commitment, satisfaction, motivation and perceived performance.

Secondly, Schmidt and Hunter (1996) point out the lack of adequate reliability evidence, with researchers relying too much on ratings from only one or two individuals. Thus, multiple raters and multiple indicators of organisational sustainability are imperative. Since employees are the primary target of HR interventions, their views are obviously vital (Guest, 2001).

Thirdly, Wall and Wood (2009) report small HR practices-performance effect sizes and acceptance of moderate levels of statistical significance, leading to what they describe as ‘over-positive interpretations of results’. They found no significant evidence of either synergy within the HRM systems (that the whole is greater than the sum of its parts) or systematic strategic fit effects. It also remains unclear whether one or more practices are more significant in their impact on performance. Generally, studies which have only looked at the use of HRM
practices rather than their effective use, find mixed to weak associations, leading researchers to suggest the neglect of important mediating factors between HR practices and firm performance, such as HR effectiveness, features of HR practices, and employee attitudes and behaviour (Guest & Conway, 2011).

Understanding the links between HRM and organisational performance: Bowen and Ostroff’s HRM system strength model

HRM practices communicate messages from the employer to the employee, which the latter has to receive or encode and then accept (McGuire, 1972). Employees attribute cause-effect to understand which behaviours are important, expected and rewarded (attribution theory). Fiske and Taylor (1991) state that it is also about people gathering and eliciting causal explanations from others and communicating their explanations to others.

Bowen and Ostroff (2004), propose that HRM influences employee attitudes and behaviour not only through the practices themselves, but also interpretations employees make, attributing cause and effect explanations to understand which behaviours are important, expected and rewarded. HR systems communicate messages to employees so that they form a collective sense of expected behaviours. They propose HRM influences employee attitudes and behaviour not only through content (i.e. practices) but also meta-features (comprising of employee attributions regarding HRM).

Bowen and Ostroff (2004) in their model theorised that the relationship between HR and performance is mediated by individual employees’ perceptions and attributions they make about situations. Ostroff and Bowen (2000) and Kopelman et al (1990) proposed a connection between HR practices and performance with climate as a mediator of that relationship. HRM practices and system are likely to influence climate perceptions, although how this actually develops has not been fully understood or researched (Schneider, 2000). The strength of this climate is shaped by the strength of the HR system.

Bowen and Ostroff (2004) view climate as a mediator in the relationship between HRM and organizational performance, complementing the roles of the technical subsystem such as technical requirements, knowledge, skills and abilities (Schuler & Jackson, 1995), organisational culture (Denison, 1996) and the organisation’s role structure (Katz and Kahn, 1978). The concept of climate strength in organisational climate literature is significant in this regard. Kuenzi and Schminke (2009) in their review of climate research showed that leader behavior does have considerable potential to affect climates as they act as interpretive filters of organizational practices for employees, which impacts on shared perceptions of climate(Kozlowski & Doherty, 1989). They report that climate strength or the degree of agreement between unit members with respect to their climate perceptions has been a key moderator of the impact of work climate on outcomes (Colquitt et al., 2002; González-Romá, Peiró, & Tordera, 2002; Lindell & Brandt, 2000; Schneider, Salvaggio, & Subirats, 2002).

Bowen and Ostroff use Mischel’s (1973) theory of strong situations to show how strength of a situation impacts on how people interpret events. Mischel (1973) explained that in a ‘strong’ situation, people interpret events in a similar way whereas when the situation is ‘weak’, there is greater ambiguity and uncertainty about expected behaviours. Bowen and Ostroff (2004) argue that when the situation is strong and people have similar interpretations of events and a similar understanding of the expectations of them by the organisation, they behave in ways that the organisation expects and desires in relation to organisational goals. When the
situation is weak, however, the ambiguity prompts people to have their own explanations and interpretations, thus creating greater variability in behaviour.

For strategic HRM to impact significantly on climate, HRM policies and practices (HRM content, i.e. what sets of HRM practices derived from strategic objectives) and the HRM system as a whole (HRM process, i.e. how the system is designed and implemented) need to be integrated. Bowen and Ostroff (2004) theorise that when the HRM system is perceived as high in distinctiveness, consistency and consensus, it will create a strong situation. They use attribution theory (Kelley, 1973), communication (McGuire, 1972) and sense-making theories (cycles of receiving information, interpreting it, information, acting on it, and getting feedback to make sense of the situation), especially in ambiguous or changing circumstances (Weick, 1995) to describe the three meta-features that must be characteristic of the HRM system for shared perceptions, meaning and understanding, attitudes and behaviour to develop among employees, creating a strong organizational climate (at the aggregate or group level) from psychological climates (at the individual level).

These meta-features are:

a) distinctiveness – ‘features that allow it to stand out in the environment, thereby capturing attention and arousing interest’

b) consistency – ‘features that establish consistent relationships over time, people, and contexts’, and

c) consensus – ‘agreement among employees—the intended targets of influence by the HRM system—in their view of the event-effect relationship’

Distinctiveness has four features:
Visibility, which refers to the extent practices stand-out and are observable.
Understandability, i.e. how clear and easy it is to understand the content of HRM practices content.

Legitimacy of authority, which is the extent to which the HR function is viewed as credible and having influence.
Relevance, i.e. whether individuals perceive the situation to be personally important to their goals.

Consistency has three features:
Instrumentality, i.e. perception of a clear cause-effect relationship between the behaviours encouraged through HRM practices and related outcomes for employees.
Validity, referring to the consistency between what HRM practices are supposed to do and what they actually do.
Consistent HR messages, the congruence between stated values and what employees perceive indirectly through day to day actions and the degree to which HRM practices are consistent amongst themselves as well as over time.
Consensus consists of two features:

Agreement among principal message senders, i.e. key decision makers relating to HRM agree with regard to the message.

Fairness of the HR system, i.e. HRM practices provide distributive, procedural, and interactive justice to employees.

According to Bowen and Ostroff, these nine features determine how strong the HR system is. This goes beyond the content of HR practices and policies and is derived from the process, i.e. how HR is implemented and communicated within the organisation rather than just what is done. Their focus is thus on the processes by which HR practices at an organisational or group level have an impact on individual and collective attitudes, perceptions and motivations and thus impact on individual and group performance.

Application of the model in empirical research

Studies have begun to empirically investigate the strength model. For example, Nishi, Lepak and Schneider (2008) contrasted the impact of two positive attributions that HR practices are designed to enhance service quality and that they are intended to improve employee well-being with two negative attributions of HR practice being designed for cost reduction and for exploiting employees and found that the positive attributions were positively associated with employee attitudes whereas the negative attributions were negatively associated with employee attitudes.

Sanders et al (2008) studied the process of HRM, in an effort to test the main dimensions in the Bowen and Ostroff model. They examined the relationship between Distinctiveness, Consistency and Consensus on affective commitment and found that when the HRM system is seen as more distinctive through personal relevance and legitimacy of authority, and there is greater consistency, employees have higher affective commitment to the organisation. However, they did not find a relationship between consensus and affective commitment. Climate strength had a moderating effect on the relationship between consistency in HRM and affective commitment.

Stanton et al (2010) in their case studies on how a strong HRM system enables HRM messages to be understood, interpreted and translated at all levels in the organisation, concluded that the role of the CEO is critical, especially in relation to their understanding of and commitment to HRM, giving HR legitimacy, providing leadership and resources. The CEO was critical also in impacting on within group agreement at the executive level and between group agreement at all levels about what are the relevant messages communicated through informal as well as formal channels. The use of HR performance indicators which are well-communicated, well-understood and owned can help create a culture where people management is valued and HR is seen as contributing to organisational effectiveness. Stanton et al also argue that managers need to be provided training and support in people management and not just HR practices.

These early studies show support for the role of attributions but have a number of methodological problems which mean that the Bowen and Ostroff (2004) model has not been fully and rigorously tested in relation to all of its features. For instance, Nishii et al (2006) tested attributions about HR practices, but ones that differ to Bowen and Ostroff’s model.
Sanders et al (2008) do not provide a comprehensive measure of all nine features and use proxies for several of the features they measure in the Bowen and Ostroff model. For instance, consistency is measured statistically through within respondent agreement about high commitment HRM, rather than through directly measuring employees perceptions of instrumentality, consistency of HRM messages and validity. Stanton et al (2010) miss the employee perspective, which is a major gap, considering Bowen and Ostroff’s model is about understanding employee attributions and collective sense making about the HR system.

Creating a measure of HRM system strength – steps and challenges

Step 1: Item Development and generation

Following Schwab (1980), the first two stages of development of the measure has been carried out, item development or generation of individual items and scale development of how items are combined into scales. Scale evaluation or psychometric evaluation of the measure is still underway and will be completed by May 2011.

The deductive method (Hunt, 1991) of ‘logical partitioning’ or ‘classification from above’ was used. The theoretical definition of the construct was examined and then used to develop the items as suggested by Schwab (1980) and Nunnally (1976). The definition of each of the 9 features in the Bowen and Ostroff (2004) model was derived from their exposition. Please see Table 1.

| Table 1 Construct Definitions (derived from Bowen and Ostroff, 2004) |
|---------------------------|-----------------------------|
| **Construct** | **Definition** |
| Distinctiveness | Degree to which practices are salient and readily observable |
| Visibility | Lack of ambiguity and ease of comprehension of HRM practice content |
| Understandability | HRM department is perceived as a high status – high credibility function and activity |
| Legitimacy | Relevance |
| Situational is seen as relevant for important individual goal |
| Consistency | | |
| Instrumentality | Outcomes (i.e. rewards or incentives and sanctions) are linked to behaviours over time, people and contexts |
| Validity | Whether practices achieve their intended aims |
| Consistent HRM messages | Compatibility and stability in the signals sent by the HRM practices: Consistency between espoused v inferred values, Internal consistency between HRM policies, stability over time (agreement about what is expected of employees and what they can expect of the organisation) |
| Consensus | Agreement among principal HRM decision makers |
| Key decision makers (e.g. top management, senior HR managers, etc) seen as strongly agreeing among themselves on the message |
| Fairness | Composite of employee perceptions of whether HRM practices adhere to the principles of delivering distributive, procedural and interactional justice |

Generating items is a critical stage in the scale development process as no statistical analysis can overcome inadequacies in the item pool. Following Loevinger’s (1957) guidance on
generating items, the focus was on items which ‘sample all possible contents which might comprise the putative trait according to all known alternative theories’. Thus, the initial item pool a) was wider than the theoretical view of the construct, e.g. for Fairness, in addition to items on Distributive and Procedural Justice, there were also a number of items to assess the fairness in the design and implementation of HR practices and b) included content that may be tangential to the construct in question, so that content that should have been included but was omitted, is spotted early in the item generation process. E.g. for Consistent HRM messages, items included a wide range covering consistency in relation to values, expectation of and from the organisation, HR practices in relation to one another and consistency of communication over time.

In addition to the breadth of content, there must be an adequate sample of items in each of the major content areas of the broad construct so that all of the aspects are adequately covered and are well-represented in the item pool (Clark and Watson, 1995). With this in mind, to ensure adequate item generation, rather than focusing on the broad dimensions of attribution theory – distinctiveness, consistency and consensus, sub scales were created for each of the nine features in the model, with 5-7 items in each feature. Loevinger’s (1957) recommendation is that the proportion of items devoted to each content area should be proportionate to its importance in the construct being studied. Each of the three meta-features and 9 features were given equal importance as the Bowen and Ostroff model did not suggest that any one dimension is more important than the others. However, Distinctiveness has four features and thus had more items than Consensus with only two features.

The different meta-features presented their own challenges in relation to item generation. For example, even a seemingly straightforward construct such as Visibility posed difficulties such as ensuring the items capture salience and reflect more active visibility. Bowen and Ostroff (2004) mention visibility of HR practices during employees’ daily work routines and that expanding the number and range of practices aid visibility. Rather than use specific examples of HR practices to assess if employees are aware of these and thus the practices are visible, more general items were used to determine prominence and salience of HR practices. Another challenge generally, was to develop items of sufficient range rather than re-stating the same things using different words and deciding whether to distinguish between people’s personal experience in relation to themselves and how they see others in the organisation being treated in general. As the Bowen and Ostroff model is about climate creation it was decided to ask about perceptions about HR more generally as well individual perceptions, depending on the construct. So for Instrumentality and Validity, more items were worded to get perceptions about HR in general, Relevance being individually focused and Visibility and Understandability having a mixture of the two.

It was difficult to operationalise the constructs without making the items too abstract and complex. It was also important to ensure the items retained a sufficient HRM rather than line management focus, relating to everyday experiences of employees as far as practicable. Rooting the items in specific practices, with a number of practical examples was a way of making them more ‘real’ for employees to answer. For example, ‘The training employees receive here is clearly linked to performance requirements’.

Negatively worded items were kept to a minimum due to concerns about such items adding to confusion among respondents without necessarily increasing item precision or adding significantly to scale validity (Schmitt and Stults, 1985). Idaszak & Drasgow (1987) argued that in trying to control for response bias, unintentional systematic error could creep in. Jackson et al (1993) showed how such items may introduce systematic error into a scale and Schriesheim and Hill (1981) demonstrated how reverse scoring can reduce the validity of questionnaire responses.
Clark and Watson (1995) recommend a systematic and iterative process of scale development, whereby item generation is followed up by conceptual and psychometric analysis to check whether each of the content domains are adequately covered for assessments of reliability and content validity. In addition to developing ways to measure the construct as suggested by the theory, the process will also involve empirical testing of the relationship between the hypothesised constructs.

**Stage 2: Expert analysis**

Fifty five items covering all nine features which were theoretically derived from the Bowen and Ostroff model, were subject to a classification exercise by 10 experts, along the lines used by Mackenzie, Podsakoff and Fetter (1991) to determine content validity. Of the ten experts, seven were doctoral students or faculty members (Hinkin, 1995 considers the use of students as appropriate as this kind of classification exercise requires intellectual ability rather than work experience) and the others were human resources experts, each with more than twenty years’ experience at senior levels in Human Resources and/or post-graduate qualifications. Items were randomly ordered and each of the ten experts were asked to read each item in the questionnaire item bank and then decide which construct it is trying to measure, using the definitions given, thus individually classifying each of the items into one of the nine features, or ‘None of the above’ if they did not think the item measured any of the constructs. Definitions were provided for each feature, using the theoretical framework in Bowen and Ostroff (2004) as above.

Experts were also asked to identify any items which, in their view, were either unclear, would be difficult for employees to answer or unsatisfactory due to some other reason. For such items, they were also asked for their ideas for re-wording them appropriately.

Following the analysis of the item classification, those items that were not assigned to the ‘a priori’ category more than 70% of the time were reviewed again and were reworded to better reflect their intended construct.

**Stage 3: Pre-Pilot Feedback**

A pilot questionnaire of 59 HR strength items was completed by 25 people, 20 of whom came from a local authority in the UK. Following feedback about the length of the questionnaire and specific feedback about complexity of some of the item wording, especially those items which employees would find difficult to answer, a decision was taken to a) simplify the item wording across the board, in terms of the language used as well as the number of words, b) cut the number of the items so that more people would be encouraged to complete the pilot c) eliminating any items with double negatives and d) change the items so that more items, reflected an individual referent rather than group referent, which may improve perceptions around employees not being able to relate to items or feeling that they do not know enough to comment about more general matters.

A decision was made to limit each dimension to 3 questionnaire items. Hinkin (1995) highlighted the importance of cutting the length of the measure to minimise response biases (Schmitt and Stults, 1985) and reduce the effect of respondent fatigue (Anastasi, 1976) but also pointed out the risk of poor content and construct validity, internal consistency and test-retest reliability for measures with too few items (Nunnally, 1976). While our intention was to capture the 10 features each with 3 items, we anticipated using the final measure at the level of its 3 meta-features (consistency, consensus, distinctiveness) and the overall aggregate
strength measure, and therefore a reasonable number of items were aimed at capturing the features (9, 6, and 12 respectively) and the overall measure (27 items).

**Stage 4: Pilot sample**

Three organisations piloted the study in departments which have employees across different levels. In addition to this, selective sampling was used in this exploratory stage of the research, along with snowball sampling, which used referrals from initial respondents to generate additional contacts and thus potential subjects. Although there are methodological concerns that such samples may create bias as the sample may not be representative of the population, in reality, it was possible to get subjects a much wider range of organisations such as schools, the health service, probation service, civil service, universities, law firms as well as the private sector, rather than only local government. It also covered a range of roles such as teachers, administrative staff, senior managers, professional roles in HR and medicine. The main focus of this stage was to evaluate the items and eliminate weak ones and improve the wording wherever it was possible to retain items.

**Pilot Results**

An online survey form was sent to 263 respondents, from whom 158 completed responses were received, thus achieving a response rate of 60%. The three organisations surveyed had 20, 20 and 33 returned responses, with individual responses accounting for the remainder.

The questionnaire items were first subject to individual item analysis. The histograms for the items showed a normal distribution in the main. All items had a high response variance, with standard deviations of well over 0.40. Items were also checked for item-total correlations and those with values of less than 0.30 were either dropped or changed.

The data analysis plan progressed from the individual item analysis to first checking the items within each of the 9 features and then within the three meta-features in the Bowen and Ostroff (2004) model and finally in their entirety as a scale of overall system strength.

This shows that Cronbach’s Alpha is over 0.9 for the full scale, over 0.70 for each of the meta-features and for 7 out of the 9 features. Only Instrumentality and Validity had Alpha scores below 0.70.

Where the item-total statistics suggested that deletion of items would improve the Cronbach’s Alpha score noticeably, the items were either deleted or changed.

The pilot data was subject to exploratory factor analysis, using principal components with Varimax rotation. This was done for each of the features as well as the three meta-features. A decision on the number of factors was based on whether the eigen values generated were greater than one. Items were deleted if they loaded equally heavily on more than one factor (cross loading greater than 0.40).

The Distinctiveness dimension was predicted to have 4 features according to the Bowen and Ostroff (2004) model. However, the exploratory factor analysis showed the emergence of 3 components, with Relevance and Understandability loading on one factor, Visibility loading on another and Legitimacy as the third factor. Please see Table 2.
Table 2: Exploratory Factor Analysis – Distinctiveness Meta-Feature (Cronbach’s Alpha 0.90)

<table>
<thead>
<tr>
<th>Item</th>
<th>Expected Feature</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Factor 3</th>
<th>Comments on Factor</th>
<th>Comments on Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>My organisation’s HR practices... help me carry out my job***</td>
<td>Relevance</td>
<td>.83</td>
<td>.10</td>
<td>.20</td>
<td></td>
<td>***Deleted as there were more items than needed</td>
</tr>
<tr>
<td>My organisation’s HR practices.... help me with my work objectives*</td>
<td>Relevance</td>
<td>.82</td>
<td>.26</td>
<td>.19</td>
<td></td>
<td>*Minor changes ‘My organisation’s HR practices...... help me to achieve my work objectives’</td>
</tr>
<tr>
<td>My organisation’s HR practices.... help my personal development</td>
<td>Relevance</td>
<td>.81</td>
<td>.19</td>
<td>.13</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>My organisation’s HR practices.... meet my expectations*</td>
<td>Relevance</td>
<td>.79</td>
<td>.09</td>
<td>.25</td>
<td></td>
<td>*Minor changes</td>
</tr>
<tr>
<td>My organisation’s HR practices.... are easy to understand</td>
<td>Understandability</td>
<td>.66</td>
<td>.17</td>
<td>.20</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>My organisation’s HR practices.... are stated clearly*</td>
<td>Understandability</td>
<td>.64</td>
<td>.22</td>
<td>.37</td>
<td></td>
<td>*Minor changes ‘My organisation’s HR practices...are stated clearly in all communications’</td>
</tr>
<tr>
<td>I am kept well informed about any changes to HR practices**</td>
<td>Visibility</td>
<td>.59</td>
<td>.53</td>
<td>.12</td>
<td></td>
<td>**Significant rewording ‘Any changes to HR practices are prominently communicated to me’</td>
</tr>
<tr>
<td>I am aware of many HR practices in the course of my day to day work*</td>
<td>Visibility</td>
<td>.35</td>
<td>.81</td>
<td>-.004</td>
<td></td>
<td>*Minor changes ‘I am aware of a range of HR practices...’</td>
</tr>
<tr>
<td>My organisation has many HR practices*</td>
<td>Visibility</td>
<td>-.12</td>
<td>.79</td>
<td>.33</td>
<td></td>
<td>*Minor changes ‘My organisation has many noticeable HR practices’</td>
</tr>
<tr>
<td>I understand how HR practices work</td>
<td>Understandability</td>
<td>.33</td>
<td>.71</td>
<td>.02</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>The HR service is very influential in my organisation</td>
<td>Legitimacy</td>
<td>.12</td>
<td>.00</td>
<td>.84</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Managers here regard HR practices as highly important</td>
<td>Legitimacy</td>
<td>.37</td>
<td>.21</td>
<td>.72</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Senior managers in my organisation hold HR in high regard*</td>
<td>Legitimacy</td>
<td>.46</td>
<td>.18</td>
<td>.65</td>
<td></td>
<td>*Minor changes ‘Senior managers in my organisation generally hold HR in high regard’</td>
</tr>
</tbody>
</table>

The first factor, Relevance is a combination of items developed for assessing Relevance and two items developed to measure Understandability. As employees need to understand what HR practices are communicating for them to determine if it is relevant for their personal goals, this result is not surprising. The second factor is Visibility, with one item for Understandability also loading on this. The third factor had only Legitimacy items, although one of the Legitimacy items also cross loaded highly on the Relevance Factor. Bowen and Ostroff (2004) explain the relationship between relevance and legitimacy, with relevance...
being affected by the perceived power of HR agents through their personal capabilities and expertise as well as their willingness to use this to facilitate the achievement of relevant goals. For Consistency, instead of the predicted three factors, Consistent HRM messages and Validity loaded on one factor and Instrumentality was the second. Please see Table 3.

Table 3: Exploratory Factor Analysis – Consistency Meta-Feature (Cronbach’s Alpha (0.78))

<table>
<thead>
<tr>
<th>Item</th>
<th>Expected Sub-Dimension</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Comments on Factor</th>
<th>Comments on Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>My organisation’s values are reflected in HR practices on a day-day basis</td>
<td>Consistent HRM messages</td>
<td>.80</td>
<td>.03</td>
<td>Factor 1: Consistent HRM Messages</td>
<td>-</td>
</tr>
<tr>
<td>I am very clear about what I can expect from my organisation***</td>
<td>Consistent HRM messages</td>
<td>.78</td>
<td>-.003</td>
<td>Items have high loading on the factor and low cross-loading (&lt; 0.40) on Factor 2</td>
<td>***Deleted as there were more items than needed; qualitative comments suggested it was unclear</td>
</tr>
<tr>
<td>I am clear about what my organisation expects from me****</td>
<td>Consistent HRM messages</td>
<td>.75</td>
<td>.18</td>
<td></td>
<td>***Deleted as there were more items than needed; qualitative comments suggested it was unclear</td>
</tr>
<tr>
<td>The training I receive is clearly linked with my performance appraisal development plans*</td>
<td>Consistent HRM messages</td>
<td>.66</td>
<td>.05</td>
<td></td>
<td>*Minor changes 'The training I receive is clearly linked with my performance appraisal discussions’</td>
</tr>
<tr>
<td>If I conform to expected standards of behaviour, I am likely to have positive work experiences**</td>
<td>Instrumentality</td>
<td>.61</td>
<td>-.06</td>
<td></td>
<td>** Significant rewording 'If I exceed my organisation’s performance expectations, I will be recognised for it’</td>
</tr>
<tr>
<td>My organisation’s HR practices... achieve their stated aims in practice***</td>
<td>Validity</td>
<td>.60</td>
<td>.14</td>
<td></td>
<td>***Deleted Please see note below</td>
</tr>
<tr>
<td>My performance appraisal feeds clearly into my rewards</td>
<td>Consistent HRM messages</td>
<td>.54</td>
<td>-.35</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>My organisation’s HR practices... rarely achieve their objectives in my section (R)***</td>
<td>Validity</td>
<td>.50</td>
<td>.02</td>
<td></td>
<td>*** Deleted Please see note below</td>
</tr>
<tr>
<td>If I fail to comply with the organisation’s expectations it will lead to sanctions**</td>
<td>Instrumentality</td>
<td>-.05</td>
<td>.89</td>
<td>Factor 2: Instrumentality</td>
<td>** Significant rewording 'If I fail to meet performance standards it will lead to sanctions’</td>
</tr>
<tr>
<td>If I fail to conform to expected standards of behaviour I will be able to get away with it (R)</td>
<td>Instrumentality</td>
<td>.19</td>
<td>.80</td>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>

NB: Both Validity items were replaced by ‘To what extent do you agree that the following practices live up to what you have been led to expect from HR communications: Reward & Recognition; Performance Appraisal; Learning & Development’. Factor one primarily consisted of items relating to Consistent HRM messages, although one item meant to assess Instrumentality and the two Validity items also loaded onto this factor. When HRM practices achieve what they are intended to achieve, i.e. they are seen as valid and when behaviours are positively or negatively reinforced through outcomes, this is likely to have an effect on whether employees perceive consistency in HRM messages, in relation to stability over time, between expressed and inferred values and alignment among HRM practices themselves. The second Factor was Instrumentality, with two items clearly loading on to this factor.

The Consensus dimension had two factors emerging clearly as predicted by the model, Agreement and Fairness, as envisaged by the model. Please see Table 4.
### Table 4: Exploratory Factor Analysis – Consensus Meta-Feature (Cronbach’s Alpha (0.78))

<table>
<thead>
<tr>
<th>Item</th>
<th>Expected Sub-Dimension</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Comments on Item</th>
<th>Comments on Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior managers and HR managers agree about how people should be managed in my organisation</td>
<td>Agreement</td>
<td>.86</td>
<td>.17</td>
<td>Factor 1: Agreement</td>
<td>-</td>
</tr>
<tr>
<td>Senior managers in my organisation agree about how employees are managed*</td>
<td>Agreement</td>
<td>.85</td>
<td>.27</td>
<td>Items have high loading on the factor and low cross-loading (&lt; 0.40) on Factor 2</td>
<td>*Minor changes</td>
</tr>
<tr>
<td>Senior managers in my organisation express conflicting views about how people should be managed (R)</td>
<td>Agreement</td>
<td>.71</td>
<td>.12</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>My organisation’s HR practices.... are implemented fairly in my organisation</td>
<td>Fairness</td>
<td>.15</td>
<td>.84</td>
<td>Factor 2: Fairness</td>
<td>-</td>
</tr>
<tr>
<td>My organisation’s HR practices.... ensure that the rewards I receive are fair</td>
<td>Fairness</td>
<td>.21</td>
<td>.79</td>
<td>Items have high loading on the factor and low cross-loading (&lt; 0.40) on Factor 2</td>
<td>-</td>
</tr>
<tr>
<td>My organisation’s HR practices.... ensure my concerns are heard before key decisions that affect my job are made*</td>
<td>Fairness</td>
<td>.17</td>
<td>.74</td>
<td>*Minor changes</td>
<td>*Minor changes</td>
</tr>
</tbody>
</table>

When an exploratory factor analysis was done on all the items to extract three factors, the picture was mixed. Please see Table 5. Factor 1 was a combination of Relevance, Visibility, Understandability, Consistent HRM messages, Validity and Fairness. Factor 2 was a combination of Agreement and Legitimacy and Factor 3 was primarily Instrumentality, with one Visibility item loading on it. This will need further work to explore the relationships between the various meta-features and broad dimensions.
Table 5  Exploratory Factor Analysis with Three Factors – All Items

<table>
<thead>
<tr>
<th>Expected Dimension</th>
<th>Component</th>
<th>Comments on Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Factor 1</td>
<td>Factor 2</td>
</tr>
<tr>
<td>My organisation’s HR practices... help me with my work objectives</td>
<td>.828</td>
<td>.256</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td>Factor 1 Relevance, Visibility, Understandability, Consistent HRM messages, Validity, Fairness</td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... help me carry out my job</td>
<td>.765</td>
<td>.280</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... help my personal development</td>
<td>.764</td>
<td>.238</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am kept well informed about any changes to HR practices</td>
<td>.749</td>
<td>.079</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... meet my expectations</td>
<td>.729</td>
<td>.300</td>
</tr>
<tr>
<td>Consensus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... are implemented fairly in my organisation</td>
<td>.708</td>
<td>.262</td>
</tr>
<tr>
<td>Consensus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s values are reflected in HR practices on a day-day basis</td>
<td>.658</td>
<td>.455</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... are stated clearly</td>
<td>.657</td>
<td>.330</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... ensure my concerns are heard before key decisions that affect my job are made</td>
<td>.656</td>
<td>.186</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am aware of many HR practices in the course of my day to day work</td>
<td>.631</td>
<td>-.089</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... ensure that the rewards I receive are fair</td>
<td>.624</td>
<td>.320</td>
</tr>
<tr>
<td>Consistency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am very clear about what I can expect from my organisation</td>
<td>.615</td>
<td>.331</td>
</tr>
<tr>
<td>Consistency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... are easy to understand</td>
<td>.609</td>
<td>.312</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am clear about what my organisation expects from me</td>
<td>.591</td>
<td>.240</td>
</tr>
<tr>
<td>Consistency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I understand how HR practices work</td>
<td>.557</td>
<td>-.015</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... achieve their stated aims in practice</td>
<td>.549</td>
<td>.289</td>
</tr>
<tr>
<td>Consistency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The training I receive is clearly linked with my performance appraisal development plans</td>
<td>.532</td>
<td>.223</td>
</tr>
<tr>
<td>Consistency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation’s HR practices... rarely achieve their objectives in my section (R)</td>
<td>.499</td>
<td>-.015</td>
</tr>
<tr>
<td>Consistency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If I conform to expected standards of behaviour, I am likely to have positive work experiences</td>
<td>.428</td>
<td>.398</td>
</tr>
<tr>
<td>Consistency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My performance appraisal feeds clearly into my rewards</td>
<td>.384</td>
<td>.369</td>
</tr>
<tr>
<td>Consistency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior managers in my organisation agree about how employees are managed</td>
<td>.214</td>
<td>.764</td>
</tr>
<tr>
<td>Consensus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior managers and HR managers agree about how people should be managed in my organisation</td>
<td>.197</td>
<td>.743</td>
</tr>
<tr>
<td>Consensus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior managers in my organisation express conflicting views about how people should be managed (R)</td>
<td>.057</td>
<td>.672</td>
</tr>
<tr>
<td>Consensus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior managers in my organisation hold HR in high regard</td>
<td>.472</td>
<td>.619</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td>Factor 2 Agreement and Legitimacy</td>
<td></td>
</tr>
<tr>
<td>Managers here regard HR practices as highly important</td>
<td>.419</td>
<td>.615</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The HR service is very influential in my organisation</td>
<td>.215</td>
<td>.502</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If I fail to comply with the organisation’s expectations it will lead to sanctions</td>
<td>-.250</td>
<td>.168</td>
</tr>
<tr>
<td>Consistency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My organisation has many HR practices</td>
<td>.287</td>
<td>.001</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If I fail to conform to expected standards of behaviour I will be able to get away with it (R)</td>
<td>-.084</td>
<td>.314</td>
</tr>
<tr>
<td>Consistency</td>
<td>Factor 3 Instrumentality and Visibility</td>
<td></td>
</tr>
</tbody>
</table>
Discussion and Conclusions

This pilot study was based on a reasonable sample of 158 respondents, which included employees at all levels in a variety of different organisations as well as HR professionals. However, the selective sampling may have affected the results. It was particularly difficult to develop items that employees would be able to answer using their experiences in the organisation. While a broad approach was necessary for some of the features, for others, it was necessary to provide more specific examples of HR practices. Whether an optimum balance of general items to more specific practice items was achieved, needs to be explored further. Similarly, another area for further examination is the balance of items with individual reference and referent shift items. While it is true that more research needs to tap into employee perceptions, attitudes and motivations, for employees to comment on HRM system strength using the nine features of the Bowen and Ostroff model may require a level of sophisticated knowledge about HR practices that employees may not have. They may not know enough about certain types of practices as they do not encounter it often enough and even if they do, they may not have sufficient information on how it is used within the organisation. Employees may also not know who the key decision makers are, what their views are on HRM and whether they agree with one another. As employees at all levels were the respondents, it was particularly critical to keep the items simple and rooted in their everyday experiences at work.

The exploratory factor analysis of the pilot findings suggest that Distinctiveness has Relevance, Legitimacy and Visibility as the main features, Consistency has two main features – Consistent HRM messages and Instrumentality, and Consensus has Agreement among principal HRM decision makers and Fairness as the features. When three factors were extracted from all the items, the factor structure was not as clear cut and will need further work through confirmatory factor analysis. The model, while comprehensive, might be something that is very difficult to test empirically given the above concerns. In addition, with nine features relating to three meta-features, the permutations and combinations of the different variables and their relationships to one another and their mediating or moderating roles create a very complex model for academics to test and for practitioners to apply. Bowen and Ostroff (2004) briefly mention the interrelationships between Distinctiveness, Consistency and Consensus, and the particular difficulties created when Distinctiveness is high but Consistency and Consensus are low.

Next steps:

As the expected three dimensions have not emerged clearly as suggested by the Bowen and Ostroff (2004) model, it is planned to examine the overall HRM strength scale against outcomes measured in pilot study, namely, employee engagement, organizational commitment, and organizational citizenship behaviour. Each of the nine features will also be studied to see if any of them, individually are correlated to these outcomes. Following this, a confirmatory factor analysis will be conducted based on the revised items, where the strength measure is examined within a theoretical framework including expected antecedents and outcomes.
References


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TOWARDS A COMPREHENSIVE MODEL OF MANAGERS WELLBEING: THE ROLE OF SELF-DETERMINATION THEORY

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ABSTRACT

The present study extends the testing of dimensions from self determination theory (SDT) to include the three facilitators (global aspirations, mindfulness and global motivation), the three needs satisfaction (autonomy, competence and relatedness), and perceived autonomous support (PAS) towards the wellbeing of 386 New Zealand managers. The theory suggests that individuals with higher SDT dimensions will achieve greater motivation and wellbeing, although few studies test more than one dimension. Findings showed that global aspirations reduced negative affect, while mindfulness, global motivations and PAS increased life satisfaction, positive affect, and subjective wellbeing, and reduced negative effect. Of the three needs satisfaction, autonomy increased life satisfaction and subjective wellbeing, while competence increased positive affect and subjective wellbeing, and reduced negative effect. In addition, PAS was tested as a moderator of facilitators and needs satisfaction and a number of significant interactions were found, generally providing support for PAS enhancing the beneficial nature of the SDT dimensions. Overall, the study provides evidence of superior wellbeing outcomes for organizations and employees encompassing SDT dimensions, including the interaction effects of PAS.

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INTRODUCTION

Developments linking wellbeing with positive organizational outcomes have stimulated renewed interest and research into employee wellbeing. However, while research into wellbeing within the discipline of psychology is well developed, research on employee wellbeing has been limited (Page & Vella-Brodrick, 2009). This is largely due to a narrow focus on measurements such as job satisfaction that commonly ignore more comprehensive models of employee wellbeing (Wright & Cropanzano, 2000). Job satisfaction, and similar measures, conceptualize wellbeing as having a specific outcome such as satisfaction with work, or being in a good mood, and generally are referred to as ‘hedonic’ measures of wellbeing (Page & Vell-Brodrick, 2009). Alternatively, eudaimonic wellbeing focuses on the context and experiences that aid in one’s life going well, and rather than being characterized as an ‘outcome’ it is distinguished by a person’s ongoing engagement in (positive) life experiences (Delle Fave, Brdar, Freire, Vella-Brodrick & Wising, 2011). Thus, these two perspectives on wellbeing (eudaimonic and hedonic) are distinct as they conceive of wellbeing differently, resulting in different states (mood versus content of one’s life) and consequences (Delle Fave, et al., 2011; Ryan et al. 2008). Research within Positive Organisational Behaviour suggests that in the development of workplace wellbeing, the two distinct conceptualisations of wellbeing be tested (Page & Vella-Brodrick, 2009) and we extend this towards manager’s wellbeing. The present study tests a comprehensive model of employee wellbeing, by assessing the contribution of the full meta-model of Self Determination Theory (SDT) (a model of eudaimonic wellbeing) towards the wellbeing of managers within New Zealand.

WELLBEING

A comprehensive model of employee wellbeing includes assessing the wellbeing outcomes that are gained from workplace experiences of self determined action. Although many of the wellbeing outcomes below have been tested in relation to individual dimensions of SDT (see Deci & Ryan, 2000), we test the full meta-model of SDT towards (hedonic) wellbeing outcomes.

Life Satisfaction

Life satisfaction refers is a cognitive judgement whereby a person assesses the quality of their life so far. Furthermore, it assesses an individuals’ conscious evaluative judgment of his or her life by using the person’s own criteria, rather than specific the life domains such as satisfaction with ones job (Pavot & Diener, 2009). An established body of research has examined the potential causes of life satisfaction (Argyle, 1999; Diener, 1984) and suggests that life satisfaction may result from a number of situational variables including satisfying work, interpersonal treatment (Bowling & Beehr, 2006; Spector & Jex, 1998), and the quality of personal relationship (Myers, 1999).

Positive/Negative Affect

The term “Affect” in general refers to the mood or emotion that one is experiencing. It tends to be more of a short term measure of emotions than life satisfaction. Positive affect refers to the experience of positive moods – such as recent feelings of optimism and cheerfulness. A large body of research suggests that positive affect is related to a number of positive
organisational outcomes, and pro-social behaviours, including extra-role activity and cooperation (Isen, Johnson, Mitzi, Mertz & Robinson, 1985), and citizenship behaviour (Bateman & Organ 1983). Moreover, those who experience a greater number of positive emotions tend to be successful and accomplished across multiple life domains, including physical health. Negative affect is the opposite, and refers to moods including being depressed, gloomy and miserable. Negative affect is related to less productive strategies, stress and ill being (Watson, Clark, & Tellegen, 1988).

**Subjective Wellbeing**

Subjective well-being (SWB) is an inclusive term used to refer to life satisfaction, the presence of positive affect, and the absence of negative affect (DeNeve & Cooper, 1998; Diener, Suh, Lucas, & Smith, 1999). Organizational research has consistently found that job satisfaction, for example is related to each of the above sub-dimensions of SWB (Thoresen, Kaplan, Barsky, Warren, & deChermont, 2003). Moreover, a greater understanding on life experiences and SWB has been called for (Suh, Diener & Fujita, 1996). As such, we suggest that SWB offers extended insight into other likely wellbeing benefits through the experience of each of the dimension of SDT at work.

**SELF DETERMINATION THEORY**

SDT is a motivation theory based on the premise that people actively seek opportunities to develop their fullest potential. As they seek such opportunities, this enhances individual’s eudaimonic wellbeing (Ryan, Huta & Deci, 2008). SDT maintains development is via autonomous striving to broaden knowledge, connect with people, seek challenges, and to integrate these experiences into an authentic sense of self, and crucially, this motivation is regulated by the *self* (Ryan & Deci, 2008; Vansteenkiste, Neyrink, Niemiec, Soenens, De Witte & Van den Broeck, 2007; Greguras & Diefendorff, 2009; Deci & Ryan, 2000). SDT is developed via five separate, yet integrated theories of wellbeing. These theories have been integrated into the ‘whole’ theory of SDT and hence SDT is referred to as meta-theory for framing motivation and wellbeing studies. The meta-theory seeks to explain how each of the antecedents to wellbeing, including, Aspirations (the goals a person pursues); Motivation (the degree to which one is intrinsically or extrinsically motivated to undertake work activities), and Mindfulness (present awareness and focus) facilitate the meeting of SDT’s three basic needs to experience autonomy, competence and relatedness. These are discussed below.

**Aspirations**

SDT suggests that the goals a person pursues will either enhance or detract from wellbeing (Kasser, Kanner, Cohn & Ryan, 2007). Hence, SDT emphasizes that the *nature* of the aspiration that either supports or detracts from wellbeing. Kasser and Ryan (1993, 1996, 2001) distinguished between *intrinsic aspirations* (growth, affiliation, community contribution), and *extrinsic aspirations* (wealth, image and fame). The terms *intrinsic* and *extrinsic* aspirations are used to highlight that some goals are expected to be more closely linked to the satisfaction of the three basic needs of autonomy, competence and relatedness (detailed below) than other goals. Goals that are labeled intrinsic are satisfying in their own right hence they provide direct satisfaction of the three basic needs. In contrast, extrinsic goals have an ‘external’ orientation (Williams, Hedberg & Deci, 2000) or a ‘having’ orientation (Van Boven & Gilovich, 2003), which are more related to obtaining contingent approval or external signs of worth, and are therefore concerned with external manifestations of importance, rather than with meeting an internal psychological need satisfaction.
Previous research concludes that when people are focused on extrinsic goals, they tend to be more oriented toward interpersonal comparisons (Lyubomirsky & Ross, 1997; Sirgy, 1998), acquiring external signs of self-worth, and unstable self-esteem (Kernis, Brown & Brody, 2000). Consequently, extrinsic goal pursuits can be associated with poorer wellbeing (Sheldon & Kasser, 2008; Kashden & Breen, 2007), reduced empathy and pro-social behavior (Sheldon & Elliot, 1998), and less optimal functioning, than intrinsic goal pursuits (Kasser & Ryan, 1996). Alternatively, intrinsic aspirations have been found to relate positively to work related outcomes such as job satisfaction, flexibility and overall positive adjustment (Vansteenkiste et al., 2007). Overall, research finds that intrinsic goal pursuit supports a sense of psychological wellbeing, whereas extrinsic goal pursuit has detrimental outcomes for the individual (Sheldon & Filak, 2008; Sheldon, Ryan, Deci & Kasser, 2004; Kasser & Ryan, 2001; Vansteenkiste et al., 2007).

**Hypothesis 1:** Higher global (intrinsic) aspirations will be positively related to (a) life satisfaction (b) positive affect (c) SWB, and (d) negatively related to negative affect.

**Mindfulness**

SDT suggests that it is through reflective consideration of a person’s goals and motivations that one can come to accept some and reject goals (Ryan et al., 2008). Therefore, SDT asserts that optimal self-functioning requires one’s actions to be self-endorsed. As such, the ability to act reflectively supports the development of self determination (Ryan & Deci, 2008). Chirkov et al (in press) suggested that with SDT, people must take responsibility for their own autonomous functioning, based on the “full endorsement of one’s actions, which are based on the mindful reflections that underlie one’s motivation” (p. 5). When people are mindful and aware of what is really occurring, they are in a better position to make meaningful choices and to act in an integrated manner.

Brown and Ryan (2003) recently began empirically investigating the role of awareness in self determined action, through the concept of mindfulness. Mindfulness has had substantial attention regarding its relationship with wellbeing (e.g. Brown & Ryan, 2003; Weinstein, Brown & Ryan, 2009) and stress reduction (e.g. Grossman, Niemann, Schmidt & Walach, 2004; Shapiro, Astin, Bishop & Cordova, 2005). Jimenez, Niles and Park (2010) found support for the important role of mindfulness on wellbeing finding higher levels of mindfulness were associated with higher levels of positive emotions, mood regulation expectancies, and self-acceptance, which in turn, were all negatively related to depressive symptoms. Weinstein and Ryan (2011) suggest that mindfulness supports autonomous functioning which in turn results in better choices, and ultimately in less stress and conflict. From an SDT perspective, evidence from recent research underscores the importance of mindfulness in promoting autonomous regulation (Ryan et al, 2008). Brown and Ryan (2003) showed at both within and between person levels of analysis, an association between greater mindfulness and autonomous self regulation was evident. More recently, studies have shown that people who are more mindful embrace more intrinsic (relative to extrinsic) values, and experience less discrepancy between what they have and what they want (Brown & Ryan, 2007), and this has workplace advantages (Deckop, Jurkiewicz & Giacalone, 2010).

**Hypothesis 2:** Higher mindfulness will be positively related to (a) life satisfaction (b) positive affect and (c) SWB, and (d) negatively related to negative affect.
Intrinsic v Extrinsic Motivation

Intrinsic motivation is defined as the engagement in an activity for its own sake, for the satisfaction and enjoyment experienced from undertaking the activity in itself (Gagne & Deci, 2005). An intrinsically motivated employee is fully interested and engaged in the experiences they gain while working. Alternatively, extrinsic motivation is concerned with undertaking an activity in order to obtain an outcome that is separate to the activity. Hence, extrinsically motivated employees would put effort into their jobs to obtain pay, or better their status, or enhance their own self esteem (Vallerand, 1997; Koestner & Losier, 2002). Therefore, SDT postulates that intrinsic or extrinsic motivation differ in terms of the underlying regulatory processes and assessments a person makes about goal directed behaviour, and their ability to reach their goals within certain contexts. Intrinsic motivation has been associated with goal attainment (Sheldon & Elliot, 1998), enhanced performance (Amabile, Goldfarb & Brackfield, 1990), increased work performance, commitment and turnover intentions (Kuvass & Dysvik, 2010). Extrinsic motivation has been associated with inconsistent striving towards goals (Koestner, Losier, Vallerand & Carducci, 1996), vulnerability to persuasion (Koestner & Losier, 2002), and impaired performance and persistence because of concentration difficulties (see Vallerand, 1997 for a review).

Hypothesis 3: Higher global (intrinsic) motivations will be positively related to (a) life satisfaction (b) positive affect (c) SWB, and (d) negatively related to negative affect.

Three Needs Satisfaction

Within SDT the unifying concept of psychological needs provide the “framework for integrating findings” (Deci & Ryan, 2000, p. 263). Specifically, with SDT, a critical issue in the effects of goal pursuit, motivation and goal attainment, concerns the degree to which people are able to satisfy their psychological need to experience autonomy, competence and relatedness (Ryan et al., 2008; Sheldon & Niemiec, 2006; Sheldon & Filak, 2008), as these are considered necessary for optimal functioning. The need for autonomy is defined as a desire to act with a sense of freedom, choice and volition, that is, to be the creator of one’s actions and to feel psychologically free from control and others expectations (Deci & Ryan, 2000). The need for competence represents the desire to feel capable, master the environment and to bring about desired outcomes (Deci & Ryan, 2000; White, 1959). It is prominent in the propensity to explore and influence the environment, and to engage in challenging tasks to test and extend one’s skill, that aids a sense of accomplishment. Finally, the need for relatedness is conceptualised as the inherent predisposition to feel connected to others. That is, to be a member of a group, and to have significant emotional ties, beyond mere attachment, to others (Baumeister & Leary, 1995, Deci & Ryan, 2000).

Therefore, the need for relatedness is satisfied if people experience a sense of unity and maintain close relationships with others. Satisfaction of all three needs is considered essential to wellbeing (Deci & Ryan, 2000). Various studies have confirmed the positive versus negative consequences of the satisfaction versus frustration of the basic psychological needs (Deci & Ryan, 2000). The satisfaction of the needs for autonomy, competence and relatedness has been shown to relate positively to employees’ work related wellbeing in terms of task and job satisfaction, work engagement, learning, affective commitment, job performance, self rated performance, intrinsic motivation, organisational commitment, organisational citizenship behaviours, life satisfaction and general wellbeing (Greguras & Diefendorff, 2009, 2010; Lynch, Plant & Ryan, 2005; Vansteenkiste et al., 2007; Deci, Connell, Ryan & Chirkov, 1989). Overall, the literature suggests that workers, who have their three needs met, are more likely to experience additional positive wellbeing.
Hypothesis 4: Higher autonomy satisfaction will be positively related to (a) life satisfaction (b) positive affect (c) SWB, and (d) negatively related to negative affect.

Hypothesis 5: Higher competence satisfaction will be positively related to (a) life satisfaction (b) positive affect (c) SWB, and (d) negatively related to negative affect.

Hypothesis 6: Higher relatedness satisfaction will be positively related to (a) life satisfaction (b) positive affect (c) SWB, and (d) negatively related to negative affect.

Perceived Autonomy Support (PAS)

Finally, SDT proposes that contexts (as well as individual differences noted above) support the satisfaction of psychological needs and wellbeing (Gagne, 2000; Gagne, Ryan & Bargmann, 2003). Therefore, according to SDT, all people have the capacity to pursue growth and development, but whether they succeed or not, can depend on the features of the context within which they seek these opportunities. Within the workplace, motivation and wellbeing are likely to be satisfied within a workplace environment that supports one’s self determination, and this is termed autonomy supportive (Ryan & Deci, 2008; Spreitzer, Sutcliffe, Dutton, Sonenshein & Grant, 2005).

Deci et al. (1989) showed that training managers to maximize subordinates’ opportunities to take initiative, provide informational feedback (non-controlling), and acknowledge the subordinates’ perspectives, improved subordinates’ attitudes and trust in the corporation and the display of other positive work-related attitudes. The researchers found that the level of managers’ autonomy support increased in the intervention sites relative to the control group sites and, even more importantly, that these changes crossed over to their subordinates, who reported increases in perceptions of the quality of supervision, trust in the organization, and job-related satisfaction. Millette and Gagne (2008) showed that the level of perceived autonomy support, in a volunteer work organization, related positively to need satisfaction of the volunteers, which in turn related positively to the amount they volunteered for the activity and negatively to their likelihood of leaving the organisation. Baard et al. (2004) found support for a model where management autonomy support was related to the satisfaction of employees’ psychological needs, which was related in turn to employee’s higher performance evaluations, engagement in one’s work, and wellbeing. Richer and Vallerand (1995) showed that autonomy-supportive supervisors stimulate autonomy and competence satisfaction. Studies have supported that staff members who perceived greater PAS from their supervisors, report positive differences in acceptance for organisational change, than did those who experienced their supervisors as more controlling (Lynch, Plant & Ryan, 2005; Gagne, Koestner & Zuckerman, 2000). Furthermore, Hagger, Chatzisarantis, Barkoukis, Wang, and Baranowski (2005) found that PAS was significantly related to a number of outcomes including attitudes and intentions, across a number of different sample settings (British, Greek, Polish and Singaporean). Consequently, the direct effects of PAS have been supported in a wide range of national settings.

Hypothesis 7: Higher PAS will be positively related to (a) life satisfaction (b) positive affect (c) SWB, and (d) negatively related to negative affect.
Interaction Effects

In addition to the direct effects of PAS, we also test its influence as a moderator on the other SDT dimensions. SDT studies have found that managers’ autonomy support led to greater satisfaction of the needs for competence, relatedness, and autonomy and, in turn, to more job satisfaction, higher performance evaluations, greater persistence, greater acceptance of organizational change, and better psychological adjustment (Baard et al., 2004; Gagne, 2000; Ilardi, Leone, Kasser, & Ryan, 1993; Gange & Deci, 2005). Guay, Boggiano and Vallerand (2001) found PAS had a significant interaction (moderation) effect with another SDT dimension (motivation), highlighting that PAS can potentially moderate the direct effects of other SDT dimensions. In effect, higher levels of perceived autonomous support will enhance the effectiveness of SDT dimensions (aspirations, motivations, mindfulness and three needs satisfaction) towards enhancing wellbeing. This leads to our last set of hypotheses.

Hypothesis 8: PAS will moderate (enhance) the effects of the three facilitators (a) aspirations, (b) mindfulness, and (c) motivations, towards wellbeing outcomes.

Hypothesis 9: PAS will moderate (enhance) the effects of the three needs satisfaction (a) autonomy, (b) competence, and (c) relatedness, towards wellbeing outcomes.

METHOD

Sample and Procedure

Data were collected from over 250 organizations, spread across a wide regional location in New Zealand. Supervisors and managers were the target of this survey, and a question was included in the front of the survey to confirm they were in a position of authority (supervisor or manager). A total of 418 surveys (from 600) were returned for a response rate of 69.7%. Survey one included items relating to the three facilitators, three needs satisfaction, PAS, as well as demographic variables. Two weeks later survey two was administered to the same participants (containing the wellbeing measures) and this was completed by 386 respondents, for an overall response rate of 64.3%. On average, the participants were 37.4 years old (SD=13), 58% were male, married (59%), parents (54%), and union members (12%). Respondents worked 39.7 hours per week (SD=13.4), had job tenure of 5.7 years (SD=6.6) and organizational tenure of 9 years (SD=9.3).

Aspirations were assessed using 30-item Aspirations Index by Kasser (2002), coded 1=not at all, 5=very. Questions followed the stem “Please circle the number that best represents your opinion relating to the following goals or aspirations that you hope to accomplish over the course of your life”. These items relate to six dimensions, which relate to intrinsic aspirations (meaningful relationships, personal growth, and community contributions) and extrinsic aspirations (wealth, fame, and image). Global Aspirations were calculated by subtracting extrinsic aspirations scores from intrinsic aspirations scores. Similarly, Global Motivations were calculated using 18-items by Tremblay, Blanchard, Taylor, Pelletier and Villeneuve (2009), coded 1=does not correspond at all, 5=corresponds exactly. Using the same approach, extrinsic motivations scores were subtracted from intrinsic motivations scores. Mindfulness was measured using the 15-items of Brown and Ryan (2003),

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coded 1=never, 5=all of the time. All 15 items are reverse scored to produce a score where the higher score indicates greater mindfulness and awareness of the present.

The three needs satisfaction was measured using 21-items by Deci, Ryan, Gagné, Leone, Usunov, and Kornazheva (2001), coded 1=not at all true, 5=very true. Questions followed the stem “How important is the following to you…” and items were spread amongst the three needs. Need for Autonomy Satisfaction was measured using 7-items, a sample item is “I feel like I can make a lot of inputs to deciding how my job gets done” (α = .65). Need for Competence Satisfaction was measured using 5-items, a sample item is “People at work tell me I am good at what I do” (α = .63). The item “I have been able to learn interesting new skills on my job” was dropped because it dragged the reliability down too low otherwise (if included α = .52). Need for Relatedness Satisfaction was measured using 8-items, a sample item is “I get along with people at work” (α = .78). Despite the reliability scores for autonomy and competence being below the established acceptable coefficient alpha mark of 0.70 (Nunnally 1978), these scores are similar to others used in the literature. Perceived Autonomous Support was measured by six items by Baard, et al (2004) coded 1=strongly disagree, 5=strongly agree. A sample item is “My manager listens to how I would like to do things” (α = .92). A higher score indicates employees perceive greater support for autonomy.

Life Satisfaction was measured using the 5-item satisfaction with life survey (SWLS) from Diener, Emmons, Larsen and Griffin (1985). A sample item is “In most ways my life is close to ideal”, coded 1=strongly disagree, 5=strongly agree. This measure had a good internal reliability (α= .83). Moods were assessed using items from the Positive and Negative Affect Schedule (PANAS, Watson et al., 1988), coded 1=very slightly, 5=extremely. Six items from a shorter version used by Song, Foo, and Uy (2008) were used, with 3-items for Positive Affect (enthusiastic, determined, and excited) and 3-items for Negative Affect (upset, irritable, and jittery). These measures had adequate Cronbach’s alpha’s of .83 (positive affect) and .73 (negative affect). Subjective Wellbeing has been calculated by combining the measures of SWLS and PANAS (Diener, Suh & Oishi, 1997). This allows cognitive (SWLS) and affective (PANAS) dimensions of subjective wellbeing (Diener, 2000) to be accounted for. This approach has been utilised in the literature (e.g. Libran, 2006; Galinha & Pais-Ribeiro, 2008) and is calculated with the following formula: SWB = SWLS + (PA – NA) (Libran, 2006).

Control variables: Age (years), Gender (1=female, 0=male), Union Member (1=yes, 0=no), Marital Status (1=married/de facto, 0=single) and Education (1=high school, 2=technical college, 3=university degree, 4=postgraduate degree).

Analysis

Hierarchical regression analysis was used to analyze the data with the four wellbeing dimensions as outcome variables. Control variables were entered in Step 1 (age, gender, union member, marital status and education) and Step 2 had the three facilitators (global aspirations, mindfulness and global motivations). Step 3 held the three needs satisfaction dimensions (autonomy, competence and relatedness). The potential moderator (PAS) was entered in Step 4, and the interactions between PAS and the six predictor variables (3 facilitators and 3 needs satisfaction) were entered in Step 5. To address issues of multi-collinearity, mean centering of the interaction terms was undertaken (Aiken & West, 1991).

RESULTS

Descriptive statistics for the study variables is shown in Table 1.
Table 1. Descriptive Statistics and Correlations

<table>
<thead>
<tr>
<th>Variables</th>
<th>M</th>
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<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
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</thead>
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<td>1. Age</td>
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<tr>
<td>2. Education</td>
<td>2.3</td>
<td>1.0</td>
<td>.09</td>
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<td>.27‡</td>
<td>.05</td>
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<td>4. Mindfulness</td>
<td>3.8</td>
<td>.66</td>
<td>.39‡</td>
<td>.00</td>
<td>.40‡</td>
<td>--</td>
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<td>6.0</td>
<td>.28‡</td>
<td>.04</td>
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<td>6. Autonomy</td>
<td>3.6</td>
<td>.58</td>
<td>.32‡</td>
<td>-.04</td>
<td>.27‡</td>
<td>.41‡</td>
<td>.52‡</td>
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<td>3.9</td>
<td>.63</td>
<td>.31‡</td>
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<td>.48‡</td>
<td>.53‡</td>
<td>.61‡</td>
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<tr>
<td>8. Relatedness</td>
<td>3.9</td>
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<td>.15‡</td>
<td>-.12*</td>
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<td>.32‡</td>
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<td>9. PAS</td>
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<td>.12*</td>
<td>-.01</td>
<td>.22‡</td>
<td>.23‡</td>
<td>.35‡</td>
<td>.38‡</td>
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<td>.32‡</td>
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<td>10. Life Satisfaction</td>
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<td>.63</td>
<td>.13*</td>
<td>-.02</td>
<td>.23‡</td>
<td>.31‡</td>
<td>.31‡</td>
<td>.21‡</td>
<td>.25‡</td>
<td>.16‡</td>
<td>.39‡</td>
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<td>11. Positive Affect</td>
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<td>.76</td>
<td>.05</td>
<td>.00</td>
<td>.16‡</td>
<td>.26‡</td>
<td>.32‡</td>
<td>.28‡</td>
<td>.35‡</td>
<td>.26‡</td>
<td>.35‡</td>
<td>.38‡</td>
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<td>12. Negative Affect</td>
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<td>-.22‡</td>
<td>.09</td>
<td>-.31‡</td>
<td>-.39‡</td>
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<td>-.38‡</td>
<td>-.23‡</td>
<td>-.25‡</td>
<td>--</td>
</tr>
<tr>
<td>13. Subjective Wellbeing</td>
<td>5.3</td>
<td>1.6</td>
<td>.19‡</td>
<td>-.07</td>
<td>.33‡</td>
<td>.45‡</td>
<td>.45‡</td>
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<td>.47‡</td>
<td>.34‡</td>
<td>.52‡</td>
<td>.70‡</td>
<td>.76‡</td>
<td>.71‡</td>
</tr>
</tbody>
</table>

N=386, *p<.05, ‡p<.01

Table 1 shows that all study variables are significantly correlated with each other in the expected direction (all p<.01).

Results of the hierarchical regression for Hypotheses 1 to 8 are shown in Table 2.
### Table 2. Hierarchical Moderated Regression Analysis for Wellbeing

<table>
<thead>
<tr>
<th>Variables</th>
<th>Life Satisfaction</th>
<th>Positive Affect</th>
<th>Negative Affect</th>
<th>Subjective Wellbeing</th>
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<tr>
<td><strong>Step 1: Controls</strong></td>
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<td>Age</td>
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<td>-.15*</td>
<td>.05</td>
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<tr>
<td>Gender</td>
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<td>.04</td>
<td>-.06</td>
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<td>Union Member</td>
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<td>.05</td>
<td>.01</td>
<td>.06</td>
</tr>
<tr>
<td>Marital Status</td>
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<td>.00</td>
<td>-.04</td>
<td>.08</td>
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<tr>
<td>Education</td>
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<td>.02</td>
<td>.10</td>
<td>-.08</td>
</tr>
<tr>
<td>R² Change</td>
<td>.03</td>
<td>.01</td>
<td>.04</td>
<td>.03</td>
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<td><strong>Step 2: Facilitators</strong></td>
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<td>Global Aspirations</td>
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<td>.03</td>
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<td>Mindfulness</td>
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<tr>
<td>R² Change</td>
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<td>.15***</td>
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<td>.29***</td>
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<td><strong>Step 3: Satisfaction</strong></td>
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<td>.09***</td>
<td>.04**</td>
<td>.06***</td>
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<td><strong>Step 4: Moderator</strong></td>
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<td>Perceived Autonomous Support (PAS)</td>
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<td>.21***</td>
<td>-.24***</td>
<td>.34***</td>
</tr>
<tr>
<td>R² Change</td>
<td>.07***</td>
<td>.03**</td>
<td>.04**</td>
<td>.09***</td>
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<td><strong>Step 5: Interactions</strong></td>
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<td>Global Aspirations x PAS</td>
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<td>.06</td>
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<td>.05</td>
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<td>Global Motivations x PAS</td>
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<td>Needs Satisfaction Autonomy x PAS</td>
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<td>-.01</td>
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<tr>
<td>Needs Satisfaction Competence x PAS</td>
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<td>-.05</td>
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<tr>
<td>Needs Satisfaction Relatedness x PAS</td>
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<td>.06</td>
<td>-.08</td>
<td>.13*</td>
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<td>R² Change</td>
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<td>Total R²</td>
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<td>.34</td>
<td>.50</td>
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<tr>
<td>Total Adjusted R²</td>
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<td>.46</td>
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<tr>
<td>Total F Statistic</td>
<td>4.916***</td>
<td>5.502***</td>
<td>6.989***</td>
<td>13.109***</td>
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</table>

† p< .1, * p< .05, ** p< .01, *** p< .001. Standardized regression coefficients. All significance tests were single-tailed.

### Direct Effects of Facilitators

Table 2 shows that despite global aspirations being significantly correlated to all wellbeing outcomes, it is a non-significant predictor towards all outcomes except negative affect (β= -.11, p< .05). Mindfulness is significantly related to life satisfaction (β= .23, p< .001), positive affect (β= .22, p< .001), negative affect (β= -.35, p< .001), and subjective wellbeing (β= .38, p< .001). Similarly, global motivation is significantly related to life satisfaction (β= .23, p< .001), positive affect (β= .30, p< .001), negative affect (β= -.10, p< .1), and subjective wellbeing (β= .30, p< .001). From the R² Change figures in Step 2 we can see that three facilitators account for moderate amounts of variance towards life satisfaction (12%, p< .001), positive affect (15%, p< .001), negative affect (18%, p< .001), and large amounts towards
subjective wellbeing (29%, p< .001). Overall, there is support for Hypothesis 1d only, and all Hypotheses 2 and 3.

**Direct Effects of Three Needs Satisfaction**

Table 2 also show that needs satisfaction autonomy is significantly associated with life satisfaction (β= .11, p< .1) and subjective wellbeing (β= .13, p< .05). Needs satisfaction competence is significantly associated with positive affect (β= .28, p< .001), negative affect (β= -.19, p< .01), and subjective wellbeing (β= .21, p< .001). Finally, needs satisfaction relatedness is not significantly associated with any wellbeing outcome. From the R² Change figures in Step 3 we can see that three needs satisfaction account for a small amount of variance towards life satisfaction (1%, non significant), positive affect (9%, p< .001), negative affect (4%, p< .01), and subjective wellbeing (6%, p< .001). Overall, there is support for Hypotheses 4a and 4c, Hypotheses 5b, 5c, and 5d, but none of Hypotheses 6.

**The Role of PAS**

The Table also show that universally, PAS is a significant predictor of all outcomes (all p< .001) accounting for moderate amounts of variance from its direct effect (3-9%, all p< .01). The Tables also show that there are a number of significant interactions, with PAS interacting with needs satisfaction relatedness towards life satisfaction and subjective wellbeing (both β= .13, p< .05) and PAS interacting with mindfulness towards negative affect (β= .21, p< .001) and subjective wellbeing (β= -.14, p< .01). Furthermore, PAS interacted with global motivation towards subjective wellbeing (β= .12, p< .05). Overall, these interactions accounted for only small amounts of additional variance (1-4%, with only towards negative affect being significant at p< .05).

To facilitate interpretations of the significant moderator effects, the interactions are presented in Figures 1 to 3.
Figure 1. PAS Composite Interactions Figure

![Graph showing the relationship between Life Satisfaction/Subjective Wellbeing and PAS composite interactions.](image)

Low Relatedness/Motivation | High Relatedness/Motivation
--- | ---
Low PAS | High PAS

Figure 2. PAS & Mindfulness Interaction towards Negative Affect

![Graph showing the relationship between Negative Affect and PAS composite interactions.](image)

Low Mindfulness | High Mindfulness
--- | ---
Low PAS | High PAS
Plots of the interaction terms are shown below. Figure 1 is a composite of all interactions for needs satisfaction relatedness/global motivations interacting with PAS towards life satisfaction and subjective wellbeing. It shows that when needs satisfaction relatedness are low there is a major difference between respondents, with respondents with high PAS reporting higher life satisfaction and subjective wellbeing. This benefit increases at high levels of needs satisfaction relatedness, when respondents with high PAS report the highest levels of life satisfaction and subjective wellbeing. Plots of the interaction terms for mindfulness and PAS towards negative affect (Figure 2), shows that when mindfulness is low there is a major difference between respondents, with respondents with high PAS reporting lower negative affect. At high levels of mindfulness, respondents with low PAS report a major decrease in negative affect while those with high PAS report slightly reduced negative affect. Overall, respondents with high PAS report low negative affect irrespective of mindfulness levels. Plots of the interaction terms for mindfulness and PAS towards subjective wellbeing (Figure 3), shows that when mindfulness is low there is a major difference between respondents, with respondents with high PAS reporting higher subjective wellbeing. At high levels of mindfulness, respondents with low PAS report a major increase in subjective wellbeing while those with high PAS report a more moderate increase in subjective wellbeing. Overall, respondents with high mindfulness and high PAS report the highest subjective wellbeing. In conclusion, these interaction effects support Hypotheses 7 and 8.

Overall, the regression models for job outcomes were significant: life satisfaction ($R^2 = .27$, $F= 4.916$, $p< .001$), positive affect ($R^2 = .28$, $F= 5.502$, $p< .001$), negative affect ($R^2 = .34$, $F= 6.989$, $p< .001$) and subjective wellbeing ($R^2 = .50$, $F= 13.109$, $p< .001$). Finally, the variance inflation factors (VIF) were examined for evidence of multicollinearity, which is evident at VIF scores of 10 or higher (Ryan 1997). The scores from the present study were all below 2.8, indicating no evidence of multicollinearity unduly influencing the regression estimates.

**DISCUSSION**

The present study is one of the few studies to incorporate the full range of SDT dimensions namely the three facilitators, three needs satisfaction, and PAS in the study of managers’
wellbeing. Furthermore, the study extended the full range of SDT towards (hedonic) wellbeing outcomes. Overall, the seven SDT dimensions were all significantly correlated with wellbeing outcomes reinforcing the links between SDT and wellbeing. Findings showed that global aspirations reduced negative affect suggesting that the types of personal goals and aspirations employees have has implications towards the moods they demonstrate at work, at least towards negative moods. Mindfulness increased life satisfaction, positive affect and subjective wellbeing, further extending the benefits of mindfulness at work for employees. While mindfulness has been related to stress reduction (Weinstein & Ryan, 2011), this study highlights that managers who are present minded and aware of the ‘now’ can actually enhance their wellbeing. Global motivations had similar positive influences across the same three wellbeing dimensions, suggesting that when the work itself is a source of personal motivation, managers gained positive personal outcomes due to being intrinsically motivated at work, beyond established work outcomes such as turnover intentions (Kuvaas & Dysvik, 2010).

Of the three needs satisfaction, autonomy increased life satisfaction and subjective wellbeing, while competence increased positive affect and subjective wellbeing, and reduced negative effect. These findings suggest that different needs satisfaction result in differing positive wellbeing outcomes, a finding previously unknown. However, relatedness was not significantly related to wellbeing in the regression models. Analysis of Table 1 shows that while relatedness is significantly correlated to all wellbeing outcomes; it uniformly correlated weaker than the other needs satisfaction dimensions (autonomy and competence). In effect, this may suggest the effectiveness of relatedness is being mediated by the other needs satisfaction dimensions. While the mean scores show relatedness is equally high as competence, the regression analysis shows the relatedness dimension to be the weakest influence on manager wellbeing. This may highlight the importance of autonomy and competence for managers’ wellbeing. Clearly, further testing of these effects is needed to enhance generalizing these findings.

PAS increased life satisfaction, positive affect, and subjective wellbeing, and reduced negative effect. As PAS has a relatedness element to it (with ones supervisor) the link the life satisfaction (Bowling & Beehr, 2006) confirms the importance of positive relationships with supervisors at work, and its ultimate influence on wellbeing. Moreover our findings extend these relationships beyond life satisfaction to include positive influences on mood and subjective wellbeing, further highlighting the benefits of workplace PAS. In addition to the direct effects, PAS was tested as a moderator of facilitators and needs satisfaction and a number of significant interactions were found. Respondents with high relatedness satisfaction reported higher life satisfaction and subjective wellbeing at high levels of PAS compared to respondents with low relatedness satisfaction, again consistent with life satisfaction literature and the importance of relationships on wellbeing. Similarly, the highest subjective wellbeing was reported by those with high mindfulness and high PAS.

Towards negative affect, the benefits of PAS are most advantageous to those with low mindfulness, suggesting that negative moods can be buffered by PAS in non-mindful employees. At high levels of mindfulness and PAS, there are similar levels of negative affect, indicating few benefits of PAS to those who are highly mindful. Overall, the direct and indirect effects found in the study provides evidence of superior wellbeing outcomes for managers encompassing all the SDT dimensions, including the interaction effects of PAS.

Limitations

Despite the positive findings there are some limitations, including the lack of strong reliability in the needs satisfactions measures, although this seems standard to this particular measure (e.g. Greguras & Diefendorff, 2009). However, overall we have a large sample and the
separation of variables (predictors and outcomes) at two distinct time periods reduces the chances for common method variance. Furthermore, interaction effects are less susceptible to this type of error (Evans, 1985). Furthermore, our wide sample of organizations and leaders enhances the generalizability of our findings, although these are limited to managers only.

Conclusion

Overall, the present study finds that SDT influences a range of wellbeing outcomes, although these differ by the SDT antecedents, suggesting that SDT provides for the meeting of many wellbeing benefits for employees. Moreover the findings suggest that PAS can have additive benefits through enhancing the direct effects of other SDT dimensions on wellbeing, this also being a previously unexplored within the SDT and Positive Organisational Behaviour literature. Future research may seek to explore these effects on employees at different levels of an organisation to generalizability of findings.

REFERENCES


PATERNALISTIC LEADERSHIP AND FOLLOWERS’ OUTCOMES: AN ATTACHMENT THEORETICAL PERSPECTIVE

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ABSTRACT

Paternalistic leadership has been increasingly studied in recent years. The research proposal presents a model and several hypotheses that capture the antecedent of paternalistic leadership and individual differences on follower’s outcomes by introducing attachment theory from psychology. We posit that paternalistic leadership, which is influenced by leaders’ attachment styles, may affect followers’ in-role performance, OCB, job satisfaction and organizational commitment. Moreover, the relationship between paternalistic leadership and followers’ outcomes is moderated by followers’ attachment styles. Then, we briefly introduce the research method for this study. Finally, we discuss potential implications for research and managerial practices.

Key Words: Paternalistic Leadership, Attachment Theory, Outcomes

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Paternalistic leaders, who promote followers’ professional and personal welfare but still maintain their authority, have increasingly received attention in the past two decades. Although paternalism is based on collectivism and power inequality which is common in Asia, Middle East, and Latin America, leadership scholars recently suggested that benevolent paternalism, or paternalistic leaders’ individualized care behavior, has the potential to become a new leadership strategy across cultures (Pellegrini & Scandura, 2008). This might be mainly because empirical results have found that opposite to authoritarian behavior, benevolent behavior can improve followers’ job satisfaction (Pellegrini & Scandura, 2006; Pellegrini, Scandura, & Jayaraman, 2010), organizational commitment (Erben & Guneser, 2008; Pellegrini et al., 2010), creativity (Wang & Cheng, 2010), and reduce the experience of workplace bullying (Soylu, 2011).

However, current studies are at an infant stage to answer two fundamental questions: What is the cause of paternalistic leadership? Can any individual characteristics explain the variances of followers’ reactions? For example, Aycan (2006) suggested that paternalism is motivated by either organizational outcomes or genuine concern. Pellegrini and Scandura (2006) also found that the leader-member exchange (LMX) is positively associated with paternalism in Turkish companies. Moreover, recent research indicates that the higher the level of creative role identity the stronger the positive relationship between paternalistic benevolence and creativity (Wang & Cheng, 2010).

Accordingly, the main purpose of this paper is to increase our knowledge about why paternalistic leadership occurs and why followers have different reactions toward paternalism. To do this, attachment theory from psychology is introduced because it has provided an important framework for the adults’ interpersonal caregiving process in intimate relationships (e.g. Bartholomew & Horowitz, 1991; Collins & Feeney, 2000; Hazan & Shaver, 1990) and distressed situations (e.g. Mikulincer, Florian, & Weller, 1993). Specifically, we suggest that paternalistic leaders’ benevolence and authority may be influenced by leaders’ attachment styles, while followers’ reactions may be moderated by their own attachment styles.

Apart from the discussion above, our paper may provide two other major benefits. First, inquiry into attachment theory is an initial step toward a substantial explanation for the role of leaders’ attachment styles in firms. Although leadership scholars attempted to explore the impact of attachment styles (Davidovitz, Mikulincer, Shaver, Izsak, & Popper, 2007; Popper, 2002; Popper & Amit, 2009; Popper, Mayseless, & Castelnovo, 2000), all of these studies were conducted in Israeli military organizations. Accordingly, our paper may enhance our understanding of a broad and important question in leadership research: “We not only need to know what the leader does but also who s/he is (Atwater & Yammarino, 1993:646).” A second benefit may come to the research setting—Ireland. In contrast to the majority of studies in non-western countries (Pellegrini & Scandura, 2008), we expect that the empirical results from a western business context may enhance the relevance of paternalistic leadership in a global context.

THEORY AND HYPOTHESES

In this section, we develop a research model by first exploring the nature of paternalistic leadership and its distinct from some leadership constructs such as transformational leadership, LMX, and servant leadership. Next, we investigate how attachment theory may affect paternalistic leadership and followers’ outcomes. Finally, we incorporate followers’
attachment styles as a moderator to explain how followers react differently to paternalistic leadership. Figure 1 delineates the hypothesized model.

FIGURE 1
A Theoretical Model

Paternalistic leadership

Paternalistic leaders, like fathers, promote followers’ professional and personal welfare but still maintain their authority. Currently, there are two main streams of studies on paternalistic leadership. Some scholars have stated that paternalistic leadership is derived from Confucian value. Farh and Cheng (2000) first defined paternalistic leadership as “a style that combines strong discipline and authority with fatherly benevolence and moral integrity” (Farh & Cheng, 2000:94). In their definition, authoritarianism refers to leaders’ behaviors that maintain strong authority and control over followers; benevolence means that leaders provide individualized care for followers’ personal wellbeing; morality implies leaders’ behaviors that demonstrate integrity and serve as role models. Other scholars who traced paternalism back to Middle East, and Latin America are more interested in the intention to benevolence, although they have a same idea of benevolence and authority in paternalistic leadership. Aycan (2006) first classified paternalistic leadership according to the motivation. She argued that while some ‘exploitative paternalistic’ leaders provide care only to promote organizational outcomes, other ‘benevolent paternalistic’ leaders take benevolent actions because they are genuinely concerned about employees’ welfare. Pellegrini and Scandura (2008) further suggested that benevolent paternalism might be a leadership strategy across cultures. However, Soylu (2011) challenged that the distinction between exploitative and benevolent paternalistic leaders is difficult to examine because they are not mutually exclusive. In this study, we employ the second line of paternalistic leadership under consideration: First, benevolence and authority are consistent contents in both of research streams. Second, the second stream is more general and has received empirical test in the U.S. (Pellegrini et al., 2010), while the first stream has been mainly examined in Confucian culture.

Paternalistic Leadership is associated with but distinct from other leadership constructs, including transformational leadership (e.g. Avolio & Bass, 1995; Bass & Steidlmeier, 1999), leader-member exchange (e.g. Graen & Uhl-Bien, 1995) and servant leadership (Liden, Wayne, Zhao, & Henderson, 2008; Sendjaya, Sarros, & Santora, 2008). According to Cheng, Chou, Wu, Huang, and Farh (2004), although both transformational leadership and paternalistic leadership depict leaders’ personalized concerns toward followers, they involve different domains of care: transformational leadership describes individualized consideration
of followers’ professional roles; paternalistic leadership is defined as long-term care behavior which contains work and non-work welfare. Second, LMX, like paternalistic leadership, is a social exchange process that describes the role of leaders, followers and their relationships (Graen & Uhl-Bien, 1995). However, according to Cheng et al., (2004) and Wang and Cheng (2010), whereas LMX is a role-negotiation process on the basis of equal treatment and equivalent rights and the relational quality, paternalistic leadership draws attention to a role-obligation process in different social-cultural contexts and leaders’ specific care behavior in authority. Finally, servant leadership and paternalistic leadership similarly focus on developing a long-term care relationship but have own distinguishing intentions and domains. According to Liden et al(2008), servant leadership draws attention to integrity and development and care about numerous stakeholders, including employees, customers and communities. In contrast, paternalistic leadership stresses authority and provides care in organizations (Pellegrini & Scandura, 2008).

Attachment theory

Although attachment theory originally describes the infants’ internal patterns of their relationships with others (Bowlby, 1988), it has been gradually accepted as the foundation of adult relationships (e.g. Ainsworth, Blehar, Waters, & Wall, 1978). As scholars mentioned, attachment theory can provide three theoretical perspectives to understand adult relationships, including “the maintenance of proximity (because people prefer to be near an attachment figure, especially in times of stress or need), the provision of a safe haven (an attachment figure often relieves an attached individual’s distress and provides comfort, encouragement, and support), and the provision of a secure base (an attachment figure increases an attached individual’s sense of security, which in turn sustains exploration, risk taking, and self development)” (Davidovitz et al., 2007:632). In the context of leader-follower relationships, Mayseless (2010) summarized that leaders are often expected to serve as a secure base when attached followers are not distressed or a secure haven when attached followers are distressed. Given these observations, secure attachment seems likely to provide a fresh angle for the understanding of leader-member relationships.

Scholars have already addressed the degree of adults’ secure attachment by two streams of research. First, attachment styles are categorized as secure, anxious/ambivalent and avoidant (Hazan & Shaver, 1987; 1990). Specifically, secure adults are more likely to get close to others and feel comfortable to depend on and be depended by others. The others are two unhealthy approaches to adult relationships. Anxious adults assume that others have inconsistent responses to their closeness, resulting in uncertain feelings on their relationships. Avoidant adults are independent and self-supported because they are the least likely to trust others. Some OB scholars have followed the categories and measured attachment security by Self Reliance Inventory scale (Joplin, Nelson, & Quick, 1999; Little, Nelson, Wallace, & Johnson, 2010; Simmons, Gooty, Nelsow, & Little, 2009). In a second stream, attachment secure is examined through two dimensions: anxiety and avoidance (Bartholomew & Horowitz, 1991). According to this conceptualization, attachment anxiety refers to the degree of individuals’ images of themselves as negative and the extent to which they are unworthy of love and support. In contrast, attachment avoidance captures the degree of individuals’ images of others as negative and the extent to which they perceive others as untrustworthy and non-responsive. Thus, secure adults mean the individuals who have low levels of anxiety and avoidance. Some OB scholars have explored participants’ attachment security by Experiences in Close Relationships scale (Davidovitz et al., 2007; Geller & Bamberger, 2009). It should be noted that this paper will discuss the participants’ attachment styles in
terms of the latter because they are more internally consistent and exclusive than the previous category (Geller & Bamberger, 2009). Consequently, we develop several hypotheses as follows.

Leaders’ attachment style and paternalistic leadership

Scholars have implicitly explored the impact of leaders’ attachment styles on their benevolent behavior. Two theoretical papers (Keller, 2003; Popper & Mayseless, 2003) have suggested that attachment theory may enhance our understanding of how leaders play a role in guiding, directing, taking charge of and taking care of followers. Moreover, recent studies have supported that both attachment anxiety and avoidance are associated with leaders’ benevolent behavior (Davidovitz et al., 2007; Popper, 2002). Specifically, empirical results have indicated that anxious leaders have difficulty in providing care to their followers because they put their own interests ahead of the needs of followers’; avoidant leaders fail to provide effective help because they keep some distance between their followers and themselves (Davidovitz et al., 2007). Thus, it is reasonable to argue that paternalistic leaders’ attachment styles influence their benevolent behavior. Drawing on the reasons above, we offer the following:

H1: A leader’s attachment security is positively related to benevolent paternalistic leadership.

H1 (a): A leader’s attachment anxiety is negatively related to benevolent paternalistic leadership.

H1 (b): A leader’s attachment avoidance is negatively related to benevolent paternalistic leadership.

Similarly, leaders’ attachment styles may also be associated with authoritarian paternalistic behaviors. Johnston (2000) found that leaders who are more securely attached to their family members are more likely to have decentralized organizations, while leaders who have insecure attachment in close relationships seem more likely to centralize organizations. Accordingly, we predict that paternalistic leaders’ attachment styles influence their authority behavior.

H2: A leader’s attachment security is negatively related to authoritarian paternalistic leadership.

H2 (a): A leader’s attachment anxiety is positively related to authoritarian paternalistic leadership.

H2 (b): A leader’s attachment avoidance is positively related to authoritarian paternalistic leadership.

Paternalistic leadership and followers’ outcomes

Prior studies have shown evidence of the relationship between paternalistic leaders’ benevolence and followers’ outcomes (cf. Farh, Cheng, L.F., & Chu, 2006; Farh, Liang, Chou, & Cheng, 2008; Pellegrini & Scandura, 2008). First, scholars have found that benevolence is positively related to followers’ work attitude such as job satisfaction (Pellegrini & Scandura, 2006; Pellegrini et al., 2010) and organizational commitment (Erben & Guneser, 2008; Pellegrini et al., 2010). In contrast, a small number of studies in Chinese context have
examined the positive impact of benevolence on followers’ performances such as in-role performance and OCB (cf. Pellegrini & Scandura, 2008) and creativity (Wang & Cheng, 2010). In line with these studies, the paper also examines the association between paternalistic leaders’ benevolence and followers’ outcomes by offering the following:

**H3 (a): Benevolent paternalistic leadership is positively related to a follower’s job satisfaction.**

**H3 (b): Benevolent paternalistic leadership is positively related to a follower’s organizational commitment.**

**H3 (c): Benevolent paternalistic leadership is positively related to a follower’s in-role performance.**

**H3 (d): Benevolent paternalistic leadership is positively related to a follower’s OCB.**

Previous research also examined the negative association between paternalistic leaders’ authority behaviors and followers’ attitude and performances (c.f. Pellegrini & Scandura, 2008). Thus, we similarly test the impact of paternalistic leaders’ authority on followers’ outcomes:

**H4 (a): Authoritarian paternalistic leadership is negatively related to a follower’s job satisfaction.**

**H4 (b): Authoritarian paternalistic leadership is negatively related to a follower’s organizational commitment.**

**H4 (c): Authoritarian paternalistic leadership is negatively related to a follower’s in-role performance.**

**H4 (d): Authoritarian paternalistic leadership is negatively related to a follower’s OCB.**

To our knowledge, current OB literature has not directly examined the relationship between leaders’ attachment styles and followers’ outcomes. Here, we attempt to fill the void. Scholars once suggested that secure leaders may provide secure base for followers, which ultimately influences followers’ “psychological functioning and job performance” (Davidovitz et al., 2007:634). Thus, we first argue that paternalistic leaders’ attachment styles may indirectly influence followers’ attitude toward their jobs and organizations. Specifically, secure paternalistic leaders are more likely to provide benevolence. They also are less likely to keep authorial distance from followers. As a result, the followers who have perceived benevolence and not have the feeling of demanding in work-related activity seem more likely to satisfy their jobs and make commitment with their firms. Second, prior studies (Simmons et al., 2009) have shown that individuals’ attachment styles may affect in-role performance via trust. In contrast, there are inconsistent results of the relationship between attachment styles and OCB. Little et al., (2010) partially supported that the secure attachment style is positively related to OCB and fully supported the insecure attachment style is negatively associated with OCB. However, Richards and Schat (2011) only supported that attachment anxiety is negatively related to OCB-O. When we narrow down the discussion into the leader-follower relationship, we posit that attachment secure leaders seems more likely to take benevolent actions which may play a role model for their followers and encourage them to contribute actively to their colleagues and even organizations. Similarly, secure paternalistic leaders would more likely to reduce power distance between followers and them through avoiding the emphasis of their authority. Accordingly, the above discussion leads to the following:
H5 (a): Paternalistic leadership fully mediates the positive relationship between a leader’s attachment security and a follower’s job satisfaction.

H5 (b): Paternalistic leadership fully mediates the positive relationship between a leader’s attachment security and a follower’s organizational commitment.

H5 (c): Paternalistic leadership fully mediates the positive relationship between a leader’s attachment security and a follower’s in-role performance.

H5 (d): Paternalistic leadership fully mediates the positive relationship between a leader’s attachment security and a follower’s OCB.

The Moderating Role of Follower’s Attachment Style

To our knowledge, Davidovitz et al.,(2007) provided exclusive evidence for the impact of followers’ attachment styles on leadership effectiveness in the context of Israeli military. The paper found that while attachment anxiety followers are more likely to have negative appraisals of group cohesion, attachment avoidance followers are inclined to negatively evaluate group cohesion and functioning, and their leaders’ leadership style and efficiency. The paper also demonstrated that followers’ attachment styles play a moderating role in the relationship between leaders’ attachment avoidance and followers’ psychological health. More broadly, adult attachment research has implicitly examined the role of followers from care receivers’ perspectives. Two care process models (Collins & Feeney, 2000; Feeney & Collins, 2004) have shown that attachment styles may also explain care receivers’ individual differences in their perceptions of care and their well-being. Now, we focus on the caregiver-care receiver relationships in which leaders promote their followers professional and personal welfare and still maintain their authority. We assume that followers’ attachment orientations may influence their attitude and behavior as a return toward paternalistic leadership. Specifically, secure followers, who are more likely to receive and respond positively to benevolence and the reduction of control, may improve their in-role performance and contribute to extra-role work. Moreover, they are prone to satisfy their jobs and make a commitment to their companies because they enhance positive images for their work by perceiving benevolence and decreases in inequality in the distribution of power in organizations. In contrast, insecure followers are insensitive to the atmosphere of caring and equality. With regards to uncertainty, anxious followers are more concerned about their own interests. This may negatively affect their evaluations of paternalistic leadership and ultimately influence their performance and attitude. Similarly, avoidant followers are accustomed to depending on themselves because they may wonder about the intention of benevolence. They may regard benevolence as a way of promoting effectiveness and efficiency. The decreases in power distance seem less likely to influence them as they would like to keep distance from others. Therefore, we predict that paternalistic leadership behavior may have less impact on insecure follower’s performance and attitude. Formally, we hypothesize:

H6: The degree of a follower’s attachment security moderates the positive relationship between benevolent paternalistic leadership and the follower’s behavior, such that

H6 (a): The higher the level of a follower’s attachment security the stronger the positive relationship between benevolent paternalistic leadership and the follower’s in-role performance.

H6 (b): The higher the level of a follower’s attachment security the stronger the positive relationship between benevolent paternalistic leadership and the follower’s OCB.
H7: The degree of a follower’s attachment security moderates the negative relationship between authoritarian paternalistic leadership and the follower’s behavior, such that

H7 (a): The higher the level of a follower’s attachment security the stronger the negative relationship between authoritarian paternalistic leadership and the follower’s in-role performance.

H7 (b): The higher the level of a follower’s attachment security the stronger the negative relationship between authoritarian paternalistic leadership and the follower’s OCB.

H8: The degree of a follower’s attachment security moderates the positive relationship between benevolent paternalistic leadership and the follower’s attitude, such that

H8 (a): The higher the level of a follower’s attachment security the stronger the positive relationship between benevolent paternalistic leadership and the follower’s job satisfaction.

H8 (b): The higher the level of a follower’s attachment security the stronger the positive relationship between benevolent paternalistic leadership and the follower’s organizational commitment.

H9: The degree of a follower’s attachment security moderates the negative relationship between authoritarian paternalistic leadership and the follower’s attitudes, such that

H9 (a): The higher the level of a follower’s attachment security the stronger the negative relationship between authoritarian paternalistic leadership and the follower’s job satisfaction.

H9 (b): The higher the level of a follower’s attachment security the stronger the negative relationship between authoritarian paternalistic leadership and the follower’s organizational commitment.

METHOD

Research Context, Sample and Procedure

This study will be conducted in two Irish companies where human resource managers help distribute the matching questionnaires to randomly identify leaders and their direct followers. Followers evaluate their own attachment styles, job satisfaction, organizational commitment, and paternalistic leadership. On separate surveys, leaders rate their own attachment styles and followers’ in-role performance and OCB. After completing the surveys, each respondent seals the questionnaire in an envelope and returns it to the researcher by mail.

Measures

Unless otherwise indicated, all the variables are measured by participants’ responses to each question on a seven-point Likert-scale ranging from “1=strongly disagree” to “7=strongly agree”. The specific measures are depicted below.

In-role performance. Leaders rate followers’ in-role performances through a 7-item scale developed by Williams and Anderson (1991).

OCB. OCB is measured with a 24-item scale developed by Podsakoff, MacKenzie, Moorman and Fetter (1990). The scale measures five OCB dimensions of altruism (5 items), conscientiousness (4 items), sportsmanship (5 items), civic virtue (5 items), and courtesy (5 items). We further divide OCB into two parts: OCB-I and OCB-O. OCB-I is calculated with
the items related to altruism and courtesy; OCB-O is calculated with the items related to civic virtue, conscientiousness, and sportsmanship.

**Job satisfaction.** Followers evaluate overall job satisfaction with a 3-item scale by Michigan Organizational assessment Questionnaire (MQAQ, Cammann, Fichman, Jenkins, & Klesh, 1983). Scores on job satisfactions are computed using the average of three items.

**Organizational commitment.** Follower’s affective organizational commitment are measured with a 8-item scale (1= strongly disagree, 5= strongly agree) developed by Allen and Meyer (1990).

**Paternalistic leadership.** Paternalistic leadership is measured by the 21-item scale of Aycan (2006). The scale captures two main aspects of paternalistic leadership: benevolence and authority. Specifically, benevolent paternalistic leadership is measured by three dimensions (family atmosphere at work, individualized relationships, and involvement in employees’ non-work lives). Authoritarian paternalistic leadership is examined by two dimensions (loyalty expectation, and status hierarchy and authority).

**Attachment security.** We use the 36-item Experiences in Close Relationships Scale (ECR; Brennan, Clark, & Shaver, 1998) to measure attachment styles. Leaders and followers are assessed respectively to indicate the extent to which each statement generally fits their own experience with others. Items are reworded to refer to supervisors and followers. Eighteen of these items measure attachment avoidance, focusing on the extent to which a person is comfortable with closeness and intimacy as well as the degree to which a person feels that people cannot be relied on. The other items, measuring attachment anxiety, concentrate on the extent to which a person worries about being rejected or unloved.

**Control variable.** Statistical analysis contains four control variables. First, we include the age of respondents. Second, gender (1=”male”, 2=”female”) is controlled because empirical results have indicated significant gender differences in attachment style (e.g.Tran & Simpson, 2009). In addition, previous studies only collected data from male respondents (Davidovitz et al., 2007; Popper, 2002; Popper et al., 2000). Third, we involve education levels (1=”high school”, 2=”bachelor”, 3=”master”, and 4=”PhD”) for it has the potential to influence the level of benevolence-giving and-receiving. Last, the length of leader-follower relationship is controlled as benevolent behaviors have a long-term orientation.

**Data Analysis**

As we discussed earlier, paternalistic leadership is related but distinct from other leadership constructs. Thus, it is necessary to establish the incremental validity of paternalistic leadership. To demonstrate it, we collect additional data from followers and examine them as control variables. Individual-level servant leadership is measured with the 14-item scale from Ehrhart (2004). The 20-item Multifactor Leadership Questionnaire (MLQ, Avolio, Bass, & Jung, 1995) is used to measure transformational leadership. LMX is measured with the 12-item scale developed by (Liden & Maslyn, 1998). Although the scale was developed to capture four dimensions of LMX, including affect, contribution, loyalty, and professional respect, it is also suitable to measure overall LMX (Erdogan, Kraimer, & Liden, 2004). As the paper focuses on the overall Leader-member role relationship quality, we average all items to capture the LMX quality. The higher score represents higher quality of Leader-follower role relationships.

The unit of analysis is the individual. First, factor analysis is used to examine internal consistency of attachment security because we change the context of attachment style from
DISCUSSION AND POTENTIAL IMPLICATIONS

This paper adds a new perspective to paternalistic leadership and its effectiveness. In particular, we have discussed the roles of leaders and followers by analyzing their attachment styles. Here, we present the potential contribution of this work to current research streams and its implications for managerial practices.

Potential Implications for Research and Practices

Our paper extends the current understanding of paternalistic leadership theory. It responds actively to the suggestion that more research is needed to explore the antecedents and individual difference moderators that may influence followers’ reactions to paternalistic leadership (Pellegrini & Scandura, 2008). It indicates that paternalistic leaders who have the characteristics of attachment security are more likely to promote followers’ work and non-work well-being but less likely to require authority and loyalty as a return. Second, it contributes to scholarly understanding of the effectiveness of paternalistic leadership by drawing attention to the role of followers’ attachment styles. The model shows that secure followers may better accept benevolence and less perceive authority in organizations and therefore improve their performance and attitude. Third, the paper may improve the rigor of paternalistic leadership by controlling relevant leadership constructs. Finally, the paper may also broaden the application of paternalistic leadership by collecting data in a western business context.

More broadly, our paper may answer the previous suggestion that leadership studies may explore the influence of attachment theory (Davidovitz et al., 2007; Popper & Amit, 2009). To our knowledge, our paper may be the first attempt to examine the impact of attachment security on the leader-follower relationship in firms. Future research may continue to explore the influence of attachment styles on other leadership constructs such as mentoring, servant leadership and transformational leadership.

The paper also holds some implications for management practitioners. First, the model helps both parties in a dyadic paternalistic leader-follower relationship understand each other. It suggests that attachment secure leaders seem more likely to have good relationships with their followers and provide support to them without authority-maintaining. Moreover, the effectiveness depends not only on the implementation of leaders’ paternalistic behavior, but also on followers’ attachment styles. It indicates that followers’ personal traits will also influence their reactions toward paternalistic leaders. Thus, managers may take a variety of individualized benevolence into consideration before they attempt to promote followers’ welfare.

Conclusion

Researchers have begun to examine the leaders’ paternalistic behavior in recent years (e.g. Pellegrini & Scandura, 2006; Wang & Cheng, 2010). To better understand the antecedents of paternalistic leadership and explore why followers react differently to

general adult relationships to leader-follower relationships. Then, we test the model by using multiple regression analyses. To examine the mediating role of paternalistic leadership, we follow suggestions by Baron and Kenny (1986). In addition, we test the moderating role of the follower’s attachment style under scholar guidance (Frazier, Tix, & Barron, 2004).
paternalistic leadership, we draw on attachment theory to explain how leaders and followers influence paternalistic leadership and followers’ reaction in a western business context. In practice, our work sheds light on benevolence-related behavior and processes in business organizations because it suggests that the professionals, including managers and followers, may consider seriously about each other when they implement benevolent actions and policies. We hope this paper prompts further inquiry into the role and experience of dyadic leader-follower relationships in organizations.
REFERENCES


THE MEDIATING ROLE OF PERSONALITY TRAITS IN THE RELATION BETWEEN GENDER AND TRANSFORMATIONAL/ TRANSACTIONAL LEADERSHIP PERCEPTIONS AND ORGANIZATIONAL OUTCOMES

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ABSTRACT

Companies are facing a problem of equity between male and female executives. Due to glass ceiling effect, women tend to be under represented in power and management positions. To explain this phenomenon, some researchers lay the stress on the importance of stereotypes in terms of gender as well as on the significance of the dominant model of leadership. According to them, these subjects of analysis would stand for barriers which would prevent women from getting decision positions. Thus gender seems to act as an important factor in the shaping of an organization and it seems unavoidable to introduce it in order to explain and understand its possible impact on leadership styles. Moreover, considering the growing interest of researchers in individual differences and in leadership through the "Big Five model" (Costa & McCrae, 1992), it sounds important to understand and explain the impact of gender on main leaders' characters. Recent researches reveal links between personality traits and leadership style (Judge and Bono, 2000; Judge and Piccolo, 2004). More research is needed in order to clarify the potential mediating role of personality traits in the relation between gender and transformational/ transactional leadership perceptions and organizational outcomes. This presentation is registered within the framework of a doctoral research project in process.

Keywords: Leadership; Gender; Diversity; Personality Traits

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1. Introduction

“Equality between women and men is a fundamental right, a common value of the EU, and a necessary condition for the achievement of the EU objectives of growth, employment and social cohesion” (Commission European Union, 2008).

French companies, as many other ones in the world, are facing a problem of gender equity. Research on women’s status in organizations in France reveals, for example, that even though women possess 50% of bachelor’s degree and 42% of advanced degree (Insee, 2009), they constitute about 50% of labour force, about 37% holds managerial positions and in contrast, only 7% holds CEO positions. To explain this phenomenon, scholars argue the possibility of “glass ceiling” – a barrier of prejudice and discrimination that prevents women from advancing to management positions in corporations and organizations (Morisson et al., 1987). Statistical data prove that women are under-represented and perhaps disadvantaged in leadership position. Explanations for this sparse representation of women in elite leadership role traditionally focused on the idea that a lack of qualified woman created a “pipeline problem”. A wide range of causes has been advanced including woman’s family responsibilities (Greenhaus and Parasuraman, 1999), tendencies for women to display fewer traits and motivations that are necessary to attain and achieve success in high-level positions (e.g Browne, 1999; Goldberg, 1993). Ryan and Haslam (2005) argue that female leaders are in fact over represented in precarious positions; suggested reasons for the phenomenon include sexism and in-group bias, group dynamics and implicit leadership expectations. Reasons for explain the “glass ceiling” are multiple and, through this article, we try to understand gender impact on personality traits of leader and potential impact on leadership style. Leadership has been predominantly male prerogative in many domains (firms, politics, military domain etc.) Although women have gained increased access to supervisory and middle management positions, they remain quite rare as elite leaders and top executives. In order to understand potentials links between gender and leadership, we have chosen to introduce a comprehensive framework of gender in organizations. This approach suggests by Fagenson (1990) apply for that woman’s attitudes and behaviours influenced by their gender, the organizational context and the social and institutional system in which they function. It seems interesting to introduce this comprehensive framework to refine the comprehension some potential links between gender and leadership. Antonakis et al., (2002) argue that “gender should be considered along with other contextual variables because a gender-context interaction may also affect leader prototypical behaviour”.

According to us, recent research suggests some useful ideas. In order to understand potential links between gender and leadership, it might be important to introduce two kinds of issues:
(1) Introduce situational and contextual factors to understand potential links between gender and leadership such as, leadership position, task structure (Antonakis & House, 2002; van Engen et al., 2001).
(2) Introduce the study of personality traits in order to explain the links between gender and styles of leadership (transformational and transactional leadership).

The purpose of this present article is twofold. First, we examine the potential mediating role of personality traits in the relationship between gender and leadership style. Consensus is emerging that a new taxonomy of personality’s description exists which is called “Five factors Model”. Findings on this topic suggest strong correlations between personality traits and leadership style, indicating that the Five Factor Model typology seems to be useful for examining the relationship between gender and leadership. Second, we
examine Gender – Organizational – System (Fagenson, 1990) approach as possible moderator of the relationship between gender and leadership. A comprehensive meta-analysis realized by Eagly et al., (2003) suggested that gender may affect leadership styles; women would have more predispositions to display transformational leadership (Eagly et al., 2003). We propose here, that this research should be completed in order to have a global comprehension of links between gender and leadership.

2. Theoretical background

In this article, we examine the relationship between gender and leadership perceptions and further explore the potential mediating role of personality traits, such as defined by the Five-Factors Model of personality. Discussions about women’s underrepresentation in high level leadership positions generally revolve around three types of explanations: the first set of explanations highlights differences in women’s and men’s investments in capital human; the next category of explanations considers gender differences between women and men; the final type explanation focuses on prejudice and discrimination against female leaders. There are numbers of important researches that treats of gender and leadership questions within this framework (three potential explanations), but no research, as far as we know introduce “personality traits’ leader” to understand the potential impact on the relationship between gender and leadership. In this doctoral research project, we attempt to understand the relationship between gender and leadership and further explore the potential mediating role of individual variables, such as “Five Factors Model” of personality. Research conducted first by Judge and Bono (2000) then, a meta-analysis from Bono and Judge (2004) provide strong supports for relationship between personality traits and leadership style. Nevertheless, no research studied this issue so far, and it seems interesting to construct a theoretical model that approximates organizational processes and maybe give a causal interpretation of these questions.

2.1 Gender Differences in Transformational, Transactional and Laissez-Faire Leadership Style

While more and more women are occupying positions of leadership, questions as to whether they lead in a different manner from men and whether women or men are more effective as leader than men have generated greater attention. In this article, we chose to define the term “leadership” like as process whereby an individual (the leader) influences a group of individuals to achieve a common goal (Northouse, 2007). First research comparing leadership style between men and women compared either interpersonally oriente
d and task oriented styles or, democratic and autocratic styles (Eagly & Johnson, 1990). This research found that styles were somewhat stereotypic in laboratory experiments; in contrast, sex differences were more limited in organizational studies assessing manager’s style.

In the 1980s and 1990s, leadership scholars introduced “new leadership” paradigm (Bryman, 1992) which gives more attention to the charismatic and affective elements of leadership (Northouse, 2007). This approach initially emerged with Burn’s writing in his book untitled “Leadership”. Burns was a political sociologist. In the mid-1980s, Bass (1985) provided a more expanded and refined version of leadership theory that based on the prior works of Burns (1978). In his approach, Bass extended Burn’s work and argued that transformational leader motivates followers to do more than expected by raising followers’ level of consciousness about the importance and the value of specified and idealized goals. Scholars argue that transformational leaders improve the performance of followers and
develop to their fullest potential. By mentoring and empowering followers, transformational leaders encourage their subordinates to contribute more efficiently to their organization. Such leaders set especially high standards for attitudes and behaviours and establish themselves as role models by gaining the trust and confidence of their followers (Eagly and Johannesen-Schmidt, 2001).

In contrast, transactional leadership has been presented in the literature as different from transformational leadership: transactional leaders focus on the exchange that occurs between leaders and their followers. Moreover, transactional leaders manage by clarifying subordinate responsibilities, monitoring their work, and rewarding them for meeting organizational objectives and correcting them for failing to meet these objectives. The third style of leadership, the *laissez-faire* leadership style, is characterized by a general failure to take responsibility for managing.

According to some authors, transformational leadership should produce greater effects than transactional leadership. Transformational leadership goes in performance well beyond what is expected. In a meta-analysis of 39 studies, Loewe et al., (1996) found that leaders who exhibited transformational leadership were perceived to be more effective leaders with better work outcomes than those who exhibited only transactional leadership.

Table 1 Definitions of Transformational, Transactional and Laissez Faire Leadership Style in the MLQ-5X and impact of gender on style of leadership

<table>
<thead>
<tr>
<th>MLQ-5X scales with subscales</th>
<th>Description of leadership style</th>
<th>Effect of size (ds)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transformational</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Idealized (attribute) Influence</td>
<td>Demonstrates qualities that motivate respect and pride from association with him/her.</td>
<td>-0.10</td>
</tr>
<tr>
<td>Idealized (behavior) Influence</td>
<td>Communicates values, purpose and importance of organization’s mission</td>
<td>-0.12</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>Exhibits optimism and excitement about goals and future states</td>
<td>-0.02</td>
</tr>
<tr>
<td>Intellectual Stimulation</td>
<td>Examines new perspectives for solving problems and completing tasks</td>
<td>-0.05</td>
</tr>
<tr>
<td>Individualized Consideration</td>
<td>Focuses on development and mentoring of followers and attends to their individual needs</td>
<td>-0.19</td>
</tr>
<tr>
<td><strong>Transactional</strong></td>
<td></td>
<td>NC</td>
</tr>
<tr>
<td>Contingent Reward</td>
<td>Provides rewards for satisfactory performance by followers</td>
<td>-0.13</td>
</tr>
<tr>
<td>Management by Exception (active)</td>
<td>Attends to followers’ mistakes and failures to meet standards</td>
<td>0.12</td>
</tr>
<tr>
<td>Management by Exception (passive)</td>
<td>Waits until problems become severe before attending to them and intervening</td>
<td>0.27</td>
</tr>
<tr>
<td><strong>Laissez Faire</strong></td>
<td></td>
<td>0.16</td>
</tr>
</tbody>
</table>

Nota: Positive effect sizes (ds) indicate that men had higher scores than women on a given leadership styles and negative ds indicate that women had higher scores than men

Source: Eagly et al. (2003)

7 Loewe et al., (1996) define « work outcomes » by distinguishing subordinate perceptions from organizational measures of effectiveness (p. 37)
In order to understand potential gender differences on leadership style, such as defined by the *Full Range Leadership Model*, we leaned upon meta-analysis lead by Eagly & Johannesen-Schmidt (2003). This meta-analysis of 45 studies comparing women and men leaders with transformational, transactional and Laissez-Faire leadership styles reveals small\(^8\) gender differences. As shown in Table 1, most of these measures of leadership style yielded small but significant sex differences (Eagly *et al.*, 2003). Women leaders tended to be more transformational than men and were more prone than men to deliver rewards to subordinates for appropriate performance.

Nevertheless, the weakness of this difference requires to consider these results very cautiously and it seems necessary to go further for many reasons. First, this meta-analysis used more than ten measures of leadership to calculate effect size when it appears important to include consistent measure of leadership style. Moreover theoretical framework of the meta-analysis does not take into account situational and contextual factors and it seems necessary to introduce them. Cooper and Bosco (1999) suggest that “social context becomes a variable of study, not a variable to be controlled”. Research on gender differences in leadership style suggests that we need to take a closer look on environmental and situational factors.

### 2.2 Contextual and Situational Influences on Leadership Style

Research on gender differences in leadership style has tended to ignore the influence of contextual and situational factor. In order to limit this bias, we chose to introduce Gender-Organization-System approach (Fagenson, 1990). This approach suggests that women’s attitudes and behaviours in organization can be due to their gender, the organizational context and/or the social and institutional system in which they function (Fagenson, 1990). This framework suggests that women’s behaviour in organizations is influenced not only by person characteristics (i.e., gender) but also by situations (i.e., organizational context) and the social-institutional system in which these interactions occur (Terborg, 1981; Martin *et al.*, 1983; Fagenson, 1990).

In this article, we want to extend the past research and suggest a conceptual framework which introduces contextual factors such as defined by Fagenson (1990). Thus, based on GOS approach (Fagenson, 1990), we propose a conceptual framework of potential relationship between gender and leadership. We postulate that GOS approach have a moderating role between gender and leadership behaviour. In the next section, we will develop more precisely the component of GOS approach.

### 2.3 Leadership style and personality traits

Empirical leadership research began with the search for traits that should differentiate leaders from followers. However, following the publication of two very influential articles, Stogdill (1948) and Mann (1959), leadership trait research was abandoned. Both reviews concluded that personality inconsistently predicts leadership. With introduction of a new taxonomy of personality traits, called “Five Factors Model” of personality, new research has been conducted, particularly on the relationship between personality and performance (Barrick & Mount, 1991). Barrick & Mount’s (1991) meta-analysis reveals a correlation of .22 between conscientiousness and job performance. Although acceptance of the classification

\(^8\) Eagly *et al.*, (2003) indicate that gender differences are significant but this difference remains small
is far from universal (Block, 1995; Eysenck, 1992), the FFM had provided the most widely accepted structure of personality in our time (Judge & Ilies, 2002). The robustness of structure of five factors model across cultures and measures has lead to introduce this model of personality to understand the relationship between leadership and personality (Judge & Bono, 2000).

The Five Factor Model is board personality constructs that are manifested in more specific traits. This model of personality comprises the five traits, we describe following:

**Extraversion:** Extraverts are described as assertive, active, talkative, energetic and optimistic (Costa & McCrae, 1992).

**Neuroticism:** Individuals high in neuroticism tend to view the world through a negative lens. The core of neuroticism is the trend to experience negative affects, such as fear, guilt, anger (Bono & Judge, 2004).

**Openness to experience:** According to Costa and McCrae (1992) openness to experience include at sometimes openness to culture, such as appreciation for arts and sciences and a liberal and critical attitude toward societal values and sometimes, the ability to learn and reason. Individuals high in openness to experience are creative, imaginative, resourceful and insightful (John & Srivistava, 1999).

**Agreeableness:** Individuals high in agreeableness tend to be cooperative, trusting, gentle and kind (Graziano & Eisenberg, 1997). These individuals avoid all forms of conflicts; they are modest, altruistic.

**Conscientiousness:** is one of the commonly studied traits in work psychology. Individuals high in conscientiousness tend to have a strong sense of direction and work hard to achieve goals (Costa & McCrae, 1992). These individuals are cautious, self-disciplined, well organized (Costa & McCrae, 1992).

A large body of research now exists utilizing the “Big Five” as a predictor of leadership style. First research conducted by Judge and Bono (2000) reveals that agreeableness (r = .27), extraversion (r = .22) and openness to experience (r = .20) displayed strong relationship with transformational leadership. Although the correlations in this research are not very strong, findings indicate that transformational behaviours are predictable from several personality traits (Judge and Bono, 2000). In another study, Ployhart et al., (2001) found a strong relationship between extraversion and transformational leadership behaviour in both typical and maximum performance situations (Rubin et al., 2005).

Theses results were completed by Bono & Judge’s (2004) meta-analysis on personality and transformational and transactional leadership. Meta-analysis relies on 384 correlations from 26 independent studies. Results indicate that extraversion ($r^9 = .22$) and neuroticism ($r = -17$) were linked to the charisma$^{10}$ dimension of transformational leadership, across sample and situations. On overall transformational leadership composite, results reveal that extraversion ($r = .24$) and neuroticism ($r = -.17$) were linked to ratings of transformational behaviours. As well, results indicate that agreeableness is the strongest predictor of contingent reward, dimension of transactional leadership ($r = .17$); and that all of the traits, except neuroticism were negatively associated with management by exception-passive.

Many scholars highlight that results of meta-analysis must be taken with cautiously because charisma which is a dimension of leadership transformational is the most related to personality ($R^2 = .12$) and the management by exception the least ($R^2 = .01$) (Judge et al.,

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$^9$ $r = $ estimated population correlation (Bono & Judge, 2004).

$^{10}$ Charisma dimension is a composite of idealized influence and inspiration motivation (Bono & Judge, 2004).
2009). Thereby, the Big Five explained 12% of the variability of charisma. Results linking personality with ratings of full range leadership model behaviours were weak (Bono & Judge, 2004). Despite weak results, this meta-analysis reveals that extraversion is an important trait in predicting transformational and transactional leadership.

However, other studies show strong correlation between some personality dimensions and leadership behaviour. Rubin et al., (2005) found strong correlations between agreeableness ($\beta = .23$, $p < .01$) and transformational leadership, and between agreeableness and contingent reward behaviour ($\beta = .20$, $p < .01$). Nevertheless, results indicate no correlation between extraversion and transformational and contingent reward behaviour.

It is important to note that past research revealed some correlations between personality traits and leadership behaviour (Bono and Judge, 2004; Judge and Bono, 2000). Authors note that future research should be interested in the relationship between proximal leader traits and distal performance criteria by examining the factors that affect this relationship (Perterson et al., 2003).

We have investigated all studies on personality traits and leadership style, now we should introduce research on potential relationships between gender and personality traits, such as defined by the five factor model.

2.4 Gender and Personality traits of leader: No empirical evidence

According to us, no research studied the potential relationship between personality’s traits and what some people call “female and male” leadership. In this section, we present results of research based on sample of women and men; this research doesn’t introduce the organizational context and leadership dimensions.

Maccoby and Jacklin (1994) provided a first major review of sex differences in cognition, temperament and social behaviour in children and adults. Results indicated that male are more assertive (dominant), more aggressive and less anxious than females. No sex differences were found for self-esteem and locus of control.

Theoretical issues on potential gender differences are structured in two models. Biological model posits that observed gender differences in personality test scores reflect innate temperamental differences between men and women (Eysenck, 1992). On the other hand, the sociocultural model of gender differences posits that social and cultural factors directly produce gender differences in personality traits. For example, Eagly (1987) develops a social role model theory, and highlights that sex differences in social behaviour stem from gender roles which impose behaviours and attitudes for males and females. Another example of sociocultural model is the expectancy model, which argues that social and contextual factors can generate gender stereotypes. This is self-fulfilling prophecy, holders of stereotypes belief threat other, in ways that conduct individuals to be in conformity to the stereotype of the perceived.

With the usefulness of meta-analysis in summarizing findings on sex differences, this methodological research was used to examine potential gender differences. For instance the Feingold’s (1994) meta-analysis revealed that males and females differed on five of nine facets of big five. Males scored higher than female on scales of assertiveness, and female scored higher than males of anxiety, gregariousness, trust and tendermindedness (Feingold, 1994). The findings highlight that result seems to be very stereotyped with qualities requisite from male and female. Thus, meta-analysis is based on different measures of personality, and it seems necessary to use a common measure in order to avoid bias. Another research conducted throughout different national cultures suggests that gender differences are small relative to individual variation within genders (Costa et al., 2001). Based on “Five factor Model”, Costa et al., (2001) indicate that woman were consistently higher than men in facets
of neuroticism and agreeableness. Findings reveal that women in most cultures were higher than men in warmth, gregariousness and positive emotions, but lower in assertiveness and excitement seeking. Costa et al., (2001) indicate that results are modest in magnitude and consistent with gender stereotypes.

We think that these findings should be studied in organizational context to understand potential links between gender and leadership. In the following section, we propose a conceptual framework which introduces precedents findings.

3. Conceptual framework and hypotheses

Based on different research (Judge and Bono, 2000; Bono and Judge, 2004), we present a conceptual framework for relationship between gender and leadership, and we introduce the concept of personality traits, as a mediating variable of links between gender and leadership. The model also integrates Fagenson’s approach, as potential moderator of the relationships between gender and leadership. Following Gender-Organization-System approach and contingency theory (Fiedler, 1964), we postulate that three factors can moderate impact of gender on leadership style. These factors will be presented in the following section. Based on previous research on Judge & Bono (2000) and Bono & Judge’s (2004) meta-analysis, we integrate the “Five Factors Model” theory, as potential mediating role of the link between gender and leadership. Finally, the right hand portion of the model includes outcomes of leadership, as measured by job satisfaction, satisfaction with the leader, work motivation and organizational commitment. In the following section, we present the conceptual framework and hypotheses.

3.1 Gender and leadership style

Research on the potential relationship between gender and leadership doesn’t lead to a consensus. Dobbins and Platz (1986) with a meta-analysis report no gender differences with respect to leader behaviour. The only significant effect is on “leader effectiveness”. Male leaders are rated higher than female leaders. Dobbins and Platz (1986) conclude, “the present meta-analysis review does not support the proposition that leader sex exerts a significant influence on leader behaviour or subordinate satisfaction”. Van Engen et al., (2001) also reports that “the sex of the manager doesn’t significantly contribute to the prediction of leadership style” particularly when organizational variables are introduced, such as contextual factors.

However, other research shows a potential relationship between gender and leadership. Eagly and Johnson (1990) reveal that both sexes favour a task orientated style when in a gender-congruent context with their gender. Thus, men were more task-oriented than woman in masculine contexts, while women were more interpersonal oriented than men in feminine contexts. The latest research summarized different studies on gender and leadership is the Eagly’s et al., (2003) meta-analysis. The results show that women were found to be slightly more transformational (on all dimensions) than men, as assessed by self and other’s report (Eagly et al., 2003). As well, woman scored higher than men on contingent reward and lower on active and management by exception and laissez-faire leadership.

Based on Eagly’s et al., (2003) meta-analysis, we postulate that gender of leader should have an impact on leadership behavior. We suggest the following hypotheses:
Hypothese 1a: Female leaders exhibit more positively than male leaders a Transformational leadership style and contingent reward, a component of Transactional leadership

Hypothese 1b: Male leaders exhibit more positively than female leaders a Transactional leadership style and Laissez Faire leadership style.

3.2 Gender-Organization-System factors as moderators of the relationship between gender and leadership

Based on GOS approach (Fagenson, 1990), we introduce in the conceptual framework three types of variables, in order to understand the potential impact on the relationship between gender and leadership style. We call these variables “moderators”. Baron and Kenny (1986) argued that “moderator variables are typically introduced when [...] a relation holds in one setting but not in another, or for one subpopulation but not for another”. Antonakis et al., (2003) indicates that “moderators are used to describe changes in relations among a set of independent and dependant variables, regarding the contextual nature of leadership” (p. 267). Based on previous research, it seems necessary to introduce contextual factors to understand the potential impact on the link between gender and leadership (Fagenson, 1990 ; Antonakis et al., 2003 ; Butterfield & Grinnell, 1999). Butterfield et al., (1999) suggest that “contextual variables need to be scrutinized more closely”.

Societal factor

Fagenson (1990) defines the social and institutional systems as, “larger context in which societal inequities are enacted or constituted and reconstituted”. Thus, as variable institutional we chose to integrate “gender stereotype”, in order to understand the perception of norms and beliefs holders by leaders.

Gender stereotype

Gender stereotypes are beliefs regarding the traits and behavioural characteristics ascribed to individuals on the basis of their gender (Duehr and Bono, 2006). Typically, women are stereotyped as more communal, nurturance, and men as more agentic. Agentic characteristics have traditionally been aligned with leadership roles (Eagly, 1987; Eagly & Karau, 2002). Research reveals that gender stereotypes in work settings are important and must affect the perception of the manager. Schein (1973) found that the characteristics of successful middle managers are much more similar to the characteristics ascribed to men. Schein (1975) replicates theses results with a sample of female managers and demonstrates that female also held gender stereotypes in the workplace. Recent research confirms previous findings. Bosak & Sczesny (2008) find that women rates themselves as less suitable for leadership positions than men, because she views them as possessing less of the agentic traits than men. Atwater et al., (2004) examines if there are feminine and masculine subroles within the management role. Findings indicate that managerial roles are in fact gender-typed. Subroles identified as masculine ones included allocating resources, delegating and punishing whereas, feminine subroles included providing corrective feedback, planning and organizing, and supporting employees. Thus, transformational leadership behaviour has been identified as being stereotypically feminine (Atwater et al., 2004; Hackman et al., 1992).

Based on prior research, we postulate that the content of gender stereotype, defined in terms of “agentic” and “communal” characteristics shape behaviours, and particularly leadership behaviours.
Hypothese 2a: Leader’s perception (by self ratings) of the content of gender stereotype moderates the relationship between gender and leadership.

Individual factor in organizational structure

Individual factor in organizational structure are based on multiple recommendations of scholars, who suggest introducing both characteristics of individuals and job content (Fagenson, 1990; Vecchio, 2003; Ealgy & Johnson, 1990). Based upon the previous studies, we chose to introduce in the conceptual framework, both the individual characteristics of males and females leaders into the organization (human capital, hierarchical level, gender composition of the dyad, gender role orientation) and the characteristics of the job (task structure).

Human Capital

In order to complete “gender variable”, we introduce human capital variables such as, such as level of education, the number of years of experience, and the age of the leader. Quinn et al., (1987) found a clear correspondence between leadership style and demographic variables such as, education and gender. For example, the majority of conceptually skilled and production-oriented managers tend to have a higher level of graduate education. Managers with team building skills are well-trained and highly educate managers in upper-middle and top management (Kim & Shim, 2003). Thus, Kim and Shim (2003) find that a higher level of education is stronger correlated with a leadership role of mentor. We postulate that, level of education; the tenure and the age are positively correlated to transformational and transactional behaviours and negatively correlate to laissez faire behaviours.

Hypothese 3a: The human capital of the leader can moderate the relationship between gender and leadership style.

Hierarchical level

The hierarchical level refers to the individual position in the organizational structure. The hierarchical level should influence leadership behaviour. Loewe et al., (1996) suggest that “the issue of the level of the leader moderating the leadership style-effectiveness relationship is unclear”. Etzioni (1961) indicates that charismatic leadership would be most useful in situations in which enactors were charged with concern for ends more than means. He viewed middle managers as being more concerned by means, and lower level line managers being more instrumental performers. Bass et al., (1996) reported more transformational leadership for female leader in a sample of high level leader of Fortune 500 companies, but found smaller sex differences for leaders of small business and any differences in a large sample of leaders of all levels. However, Loewe et al., (1996) reveal that lower-level leaders are rated higher than higher level on all three transformational leadership scales. Thus, based on previous research, we postulate that hierarchical level positions can moderate the intensity of the relationship between gender and leadership.

Hypothese 3b: Leader’s hierarchical level position moderates the relationship between gender and leadership.

Gender composition of dyad
The introduction of the gender composition of dyad in our theoretical framework reveals the necessity to consider both the leader’s and the subordinate’s gender. The leadership is a social interaction drawing upon social cognition processes in which the follower perceived the leader. Ayman et al., (2009) revealed that dyad gender composition moderate the relationship between self-rated leadership behaviours and leader performance as rated by followers. Scholars indicated that it is stronger for woman leaders than for men leaders. Specifically, when women leaders reported transformational behaviours, their males subordinates were more prone to devaluate their leadership competencies, as compared to women leaders less transformational (Ayman et al., 2009).

Thus, we postulate that female leader with male followers can shape their behaviour to be congruent with their expectations, and are more prone to display transactional behaviours. However, female leaders with female subordinates do not shape their behaviour; there is no impact on leadership behaviour.

**Hypotheses 3c:** The gender compositions of the dyad moderates the relationship between gender and leadership style

**Gender role orientation**

Gender role orientation is a classification system whereby individuals are categorized as masculine, feminine, androgynous or undifferentiated as a function of the degree to which they have internalized masculine and/or feminine personality characteristics (Korabik, 1999). Bem (1974) creates a conceptualization of masculinity and femininity as independent dimensions of gender role orientation with the development of an instrument called the BSRI (Bem’s sex role inventory). Gender role orientation, along with the BSRI classification system, has been widely studied in management research to explain the variation among individuals in career self efficacy (Choi, 2004), leadership style (Kent and Moss, 1994) and entrepreneurial self efficacy (Mueller et al., 2008). Kent and Moss (1994) suggest that androgynous individuals have similar chances of emerging as leaders as masculine individuals. Mueller et al., (2008) indicates on the sample of students in MBA program that sex does not affect entrepreneurial self-efficacy (ESE), but the gender role orientation affects the ESE. Androgyny was found to be particularly correlates to ESE. Moreover, Vecchio (2003) suggests in methodological recommendations to study “leader sex, gender role and leadership” (p.845). Based on previous study, we integrate the concept of gender role orientation, as a possible moderator of the relationship between gender and leadership.

**Hypotheses 3d:** The gender role orientation of the leader moderates the relationship between gender and leadership style.

**Task structure**

Finally based on Fiedler’s theory (1964), we chose to introduce task structure. Task structure is the degree to which the requirements of a task are clear and spelled out (Fiedler, 1964). Tasks that are more structured tend to give more control to the leader, whereas unclear tasks lessen the leader’s control and influence (Northouse, 2007). Mumford et al., (2002) suggest that task structure is related to leader creativity; for example, when the task structure is complex and ambiguous the leader’s creativity is better. Pawar and Eastman (1997) differentiated between task systems, in particular the technological core tasks and boundary spanning tasks. They suggested that boundary spanning tasks are closely tied to change as such are most receptive to transformational leadership. Thus, task structure may influence leadership behaviours in the workplace; as flexibility and creativity, communication, teamwork, responsibility. We postulate that task structure is positively correlate to leadership
style; we suggest that complex task are positively correlate to transformational leadership; whereas simple task are positively correlate to transactional or laissez-faire leadership style.

**Hypotheses 3e:** The task structure of the leader moderates the relationship between gender and leadership style.

**Organizational factor**

Fagenson (1990) suggests that organizational factors include “corporation culture, history, ideology, policies etc”. In this conceptual framework, and based on previous research, we integrates the following variables, as organizational factors.

**Organizational culture**

Organizational culture can affect the way in which individuals consciously or unconsciously think, make decisions and ultimately the way in which perceive, feel and act in their organization (Hansen and Wernerfelt, 1989; Schein, 1990; Lok and Crawford, 2004). Scholars on organizational culture suggest different forms or types of culture. For example, Wallach (1983) define that there are three main types of organizational culture i.e. bureaucratic, supportive and innovative. In their research, Lok and Crawford (2004) found that organizational culture correlates with leadership behaviour. They find strong correlations between organizational culture and leadership style, such as defined in term of “consideration” and “initiating structure”. Supportive organizational culture and innovative organizational culture correlate with “consideration” behaviour and, bureaucratic culture correlate positively with “initiating structure”. This finding highlights importance to introduce organizational factors to understand the links between gender and leadership. Thus, we postulate the following hypotheses:

**Hypotheses 4a:** Organizational culture moderates the relationship between gender and leadership style. Thus, supportive and innovative culture favours transformational behaviours, while bureaucratic culture supports transactional behaviour.

**Activities sector of company**

Gardiner and Tingerman (1999) suggest that activities sector of companies has an influence on leadership style. Based on study of 60 female and 60 managers in male-dominated\(^1\) and female-dominated\(^2\) industries, they found that gender-dominated context promote particular leadership behaviour. Female managers are more task oriented in male dominated context, and more people oriented in feminine contexts than male managers. As suggested by van Egen *et al.*, (2001) “the immediate work environment may be more important moderators of leadership behaviour of male and female leader” (p.594).

**Hypotheses 4b:** The activity sector of company moderates the relationship between gender and leadership style.

**Gendered environment**

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\(^1\) Gardiner and Tingerman (1999) include in male-dominated context the automotive industry, the timber industry, consultancies, accounting.

\(^2\) Gardiner and Tingerman (1999) include in female-dominated context the nursing, the education of childhood, the hairdressing.
Gendered environment represents the percentage of male and female in managerial positions and the percentage of male and female followers in the organization. Kanter (1977) distinguishes “dominants” from “tokens” within one group. Kanter argues that relative numbers of females and males shape perception of organizational members and social interaction. Thus, women leaders/or male leaders who have “tokens” status may behave differently with their followers than male leaders/female leaders dominants, simply of their tokens status and not their gender (Ridgeway, 1992). In their meta-analysis of studies on sex differences in leadership style, Eagly and Johnson (1990) suggest that several factors in the organizational context moderate the emergence and direction of gender differences in leadership styles (van Engen, et al., 2001). A major contextual factor is the sex compositions in organizations. Therefore, sex differences related to the proportion of men and female among the people whose leadership style is assessed. This finding suggests that female managers use styles congruent with the gender-typing of the context in which they are working (van Engen et al., 2001). Findings reveal that both male and female managers are sensitive to the sex composition of their environment, using a leadership style that match the gender typing of the context.

**Hypotheses 4c**: The gendered environment moderates the relationships between gender and leadership behaviours.

### 3.3 Gender, Personality traits and leadership style

Research reveals that some personality traits, and particularly extraversion and agreeableness have a positive impact on transformational leadership (Judge & Bono, 2000; Bono & Judge, 2004). Thus leaders who are concerned for others, and style-conscious of individual’s growth and development needs, and individuals who express positive emotions are more likely to display transformational behaviours. This finding replicated in the meta-analysis, which reported that extraversion and emotional stability, are positively correlated to charisma of the leader. Thus, leaders described as active, optimistic and emotionally stable are more prone to demonstrate qualities that motivate their followers and to communicate values and importance of organization’s mission. As well, results indicate that agreeableness is the strongest predictor of contingent reward which is a dimension of transactional leadership ($p = .17$). Thus, leaders who are altruistic, cooperative, trust are likely to provide rewards for satisfactory performance to their followers. Findings reveal that agreeableness and conscientiousness are negatively correlated to laissez faire leadership (Bono & Judge, 2004). Leaders having a strong sense of responsibilities and work hard to achieve goals and cooperative are less prone to adopt a laissez faire leadership style. Based on previous studies, we postulate the followings hypotheses:

**Hypotheses 5a**: Leader’s personality dimension such as extraversion, emotionally stability and conscientiousness are positively related to transformational leadership behaviour.

**Hypotheses 5b**: Agreeableness is positively related to contingent rewards, dimension of transactional leadership.

**Hypotheses 5c**: Agreeableness and conscientiousness are negatively related to laissez faire behaviours.
3.4 Leadership outcomes

The last part of our theoretical framework links leadership style to subjective leadership effectiveness. Effectiveness of the leadership measured through follower’s perceptions of their motivation, organizational commitment and satisfaction on work. Relationships between transformational leadership and work outcomes, such as organizational commitment, work satisfaction and motivation were set up in literature and in empirical studies (both from a theoretical point of view and from an empirical approach) (Lowe et al., 1996; Judge & Piccolo, 2004). Research reveals that transformational leadership displays stronger relationship with criteria that reflect follower job satisfaction (p = .58), follower satisfaction with leader (p = .71) and follower motivation (p = .53) (Judge & Piccolo, 2004). Conversely, findings suggest that laissez-faire leadership style and management by exception passive have strong and negative correlations with follower satisfaction with the leader (p = -.58 ; p = -14), and follower job satisfaction (p = -.28 ; p = n.c), and follower motivation (p = -.07 ; p = -.27) (Judge & Piccolo, 2004). There is considerable research suggesting a positive relationship between organizational commitment and transformational leadership (Bono & Judge, 2003; Dumdum et al., 2002). We postulate following hypotheses:

Hypotheses 6a: Transformational leadership is positively related to follower’s job satisfaction, follower’s leader satisfaction, follower’s motivation and follower’s organizational commitment.

Hypotheses 6b: Contingent reward transactional leadership is positively related to follower’s job satisfaction, follower’s leader satisfaction, follower’s motivation and follower’s organizational commitment.

Hypotheses 6c: Management by exception – passive and laissez-faire leadership behaviours are negatively related to follower’s job satisfaction, follower’s leader satisfaction, follower’s motivation and follower’s organizational commitment

Conclusion

In this paper, we attempt to place the issue of gender and leadership, in the leader trait perspective. Recent advances in personality research, including the development of comprehensive and valid trait framework and the development of conceptual model of gender-organization-system approach (Costa & McCrae, 1992; Fagenson, 1990) provided a new conceptual model to understand the relationship between gender and leadership. The model advanced in this paper will give a try on a sample of female and male leader and theirs followers, in different type of company. In order to limit the bias with leader’s self-rating, we choose to proceed with a “180 degree” evaluation, where the leader, then theirs follower assess the leadership behaviours and personality traits of their leader.

While it our hope that the model proposed in this paper contributes to advance the understanding of the relationship between gender and leadership. We proposed a model which includes environmental and situational factors which seem important to have a global look of links between gender and leadership. We try to answer to methodological issues advanced by scholars in term of introduction of organizational context, interpersonal and dyadic relationship between leader and their follower that can influence the leadership style (Fagenson, 1990; Porter et al., 2006). The conceptual model includes three approaches,
personality traits model, GOS and full range leadership model. Each of these approaches can provide a more comprehension of the relationship between gender and leadership. Understanding of these relationships should allow providing potential recommendations for a best representation of female and male leader whatever the type of company.

References


EMPLOYEE-ORGANIZATION RELATIONSHIPS, HRM PRACTICES AND EMPLOYEE REACTIONS: A CONCEPTUAL MODEL OF INTERVENING MECHANISMS

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ABSTRACT
This paper presents the conceptual model of our dissertation. We start from the employer’s perspective of the employee-organization relationship (EOR), as proposed by Tsui et al.’s (1997) framework. Research indicates that EOR affects employee reactions such as employee attitudes and performance. Building on this work, Shaw et al. (2009) argue that HRM practices represent the conceptual dimensions of social exchange. A distinction can be made between HRM inducements and investments, and expectations-enhancing HRM. To increase our understanding how these HRM approaches influence employee reactions, Shore et al. (2004) call for considering context effects. Several scholars from China, the USA and Europe build on this call to explore the underlying processes in this relationship. Our dissertation wants to contribute to this literature stream. We will study mechanisms in the internal context of an organization that intervene in the relationship between the HRM approach and employee reactions. In the first part of our dissertation, we incorporate the intervening role of job-complexity. In the second part, we expect an interaction with leader-member exchange. In the last part of our dissertation, we simultaneously take job complexity and leadership behaviour into account.

KEYWORDS: Employee-organization relationship, HRM inducements and investments, expectation-enhancing HRM, job complexity, leader-member exchange, transactional and empowering leadership

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**Introduction**

The employee-organization relationship (EOR) starts from the social exchange theory for examining the black box between HRM and performance (e.g., De Jong, Schalk, & De Cuyper, 2009; Hom, et al., 2009; Kuvaas, 2008; Kuvaas & Dysvik, 2009; Shaw, Dineen, Fang, & Vellella, 2009; Zhang, Tsui, Song, Li, & Jia, 2008). This job-level construct exists of two dimensions, namely offered inducements and expected contributions (Tsui, Pearce, Porter, & Tripoli, 1997). In general, employees perform better, demonstrate more citizenship behaviour, and express a higher level of affective commitment to an employer when the offered inducements are high.

Recent research attention goes to how EOR translates into beneficial outcomes by exploring intervening variables such as perceived social and economic exchange (Song, Tsui, & Law, 2009), perceived supervisory support (Zhang, et al., 2008) and fulfilment-based exchange relationships (De Jong, et al., 2009).

Although the existing research already provides a valuable insight into this question, quite some questions remain unanswered. Multiple intervening mechanisms deserve to be researched (Song, et al., 2009).

The purpose of this paper is to build a theoretical model that increases our understanding of how EOR translates into employee reactions through the employee perspective. We specifically focus our attention on the intervening role of (1) job complexity, (2) leader-member exchange and (3) leadership styles. We pursue to contribute to the employee-organization relationship literature in specific and the HRM-Performance literature in general.

**Theory on employee-organization relationship, HRM inducements and investments, and expectation-enhancing HRM**

In the EOR literature different conceptualizations have been proposed. For instance, Lepak and Snell (1999) started from the resource based view theory to propose employment relationships into four different approaches contingent on the rareness and the value of the employee group—contracting, job-based, alliance, and knowledge-based. Starting from the employee’s perspective, Shore and Barksdale (1998) conceptualized two dimensions for psychological contracts from the social exchange theory at the individual level—perceived obligation by the employer and by the employee. Given our intention to start from the employer’s perspective and the social exchange theory, we build on Tsui et al.’s (1997) school. This perspective is relevant since the employer establishes the rules of the exchange (Shaw, et al., 2009). These rules can be either social or economic (Blau, 1964).

Starting from the social exchange theory by Blau (1964), Tsui et al. (1997) have proposed different types of employee-organization relationships along two dimensions: employer’s investments and expectations. Shaw et al. (2009) argue that HRM practices represent the conceptual dimensions of social exchange by Tsui et al (1997). HRM practices represent the rules and the resources of exchange initiated by the organizational decision makers from an employer’s point of view. HRM practices can be categorized along two distinct social-exchange-based dimensions: practices designed to invest in employees and practices that focus on employers’ expected performance level from employees. Building on this work, our theoretical model considers HRM inducements and investments (representing ‘soft’ HRM) and expectation-enhancing HRM (representing ‘hard’ HRM).
The link between the HRM approach and employee reactions

In this section, we first build arguments for the relationship between HRM inducements and investments and employee reactions. Subsequently, we build arguments for the relationship between expectation-enhancing HRM and employee reactions. Finally, we will compare both HRM approaches in affecting employee reactions.

According to social exchange theory, ‘HRM inducements and investments’ lead to employees’ perceived obligation to the organization (Shaw et al., 2009). Following the norm of reciprocity, employees are obliged to benefit the organization in return through contingent behaviours that exceed minimal requirements of employment (Shore et al., 2006). Organizational investments generate a social exchange mechanism which will increase employees’ perceptions that the organization values them and cares for them (Blau, 1964; Eisenberger, Huntington, Hutchison, & Sowa, 1986). By these investments the organization signals a long-term, open-ended, and broad social exchange relationship (Tsui et al., 1997).

Similarly, HRM theory suggests that fulfilling employee development needs (i.e. inducements and investments) generates committed and empowered employees with self-regulated behaviour. This affects employee reactions beneficially (e.g. Arthur, 1994).

Consistent with these arguments from the social exchange theory and the HRM theory, some studies have found beneficial employee reactions in return to specific HRM inducements and investments. Kuvaas (2008) has found that perceived developmental HR practices can be important in reducing turnover intentions. Shaw et al. (2009) have found that HRM inducements and investments relate negatively to turnover of an employee group at the organizational level. Tsui et al. (1997) found that mutual investment and over-investment, which both imply a high level of HRM inducements and investments, lead to several beneficial employee reactions. Furthermore, Dysvik and Kuvaas (2008) found that employee reactions such as motivation, task performance, and discretionary efforts are enhanced by perceived training opportunities.

In contrast, diverse literature streams presents arguments to expect less beneficial outcomes from ‘Expectation-enhancing HRM’ which generates specified, short-term performance expectations. Building on the social exchange theory, Shaw et al. (2009) argue that this probably weakens the norm of reciprocity and leads to less beneficial employee reactions (Shaw et al., 2009). Also HRM theory presents arguments to expect a less beneficial relationship. The approach in expectation-enhancing HRM is similar to that of control human resource systems which emphasizes monitoring, specifies rules and procedures, and bases employee rewards on measurable output criteria. A control-based HRM approach leads to less beneficial employee reactions than commitment-based HRM (Arthur, 1994).

Intrinsic motivation theory may explain ‘why’ this HRM approach leads to less beneficial results. This theory suggests that pay-for-performance undermines perceived autonomy and intrinsic motivation. Rewards tend to be perceived as controlling, which makes sense since they are typically used to induce or pressure people to do things they would not freely do (Deci & Ryan, 1987).

In sum, starting from theory and empirical findings, we can expect that HRM inducements and investments lead to more beneficial results compared to expectation-enhancing HRM.
Consistent with this expectation, Tsui and her colleagues (1997) found that in the approaches where investments were high (i.e. over-investment and mutual investment) employees had higher performance on core tasks, citizenship behaviour, and higher affective commitment than employees in quasi-spot and underinvestment approaches. The mutual-investment and the over-investment approach generally outperform the two other approaches.

This expectation is also consistent with the social exchange theory, when employees perceive that they are treated with respect for their well-being and as worthy assets to the employer to invest in, they will feel obligated to return beneficial contributions to their organization (Eisenberger, et al., 1986). One party’s contributions are contingent on the other party’s previous contributions (Coyle-Shapiro & Shore, 2007). This explains why research shows that social exchange perceptions are positively related to beneficial employee reactions whereas economic exchange perceptions are negatively associated (e.g. Loi et al., 2010).

These arguments suggest that HRM inducements and investment generally lead to more beneficial employee reactions than expectation-enhancing HRM. These beneficial employee reactions are contingent upon social exchange rules in the exchange process. By applying HRM inducements and investments, the employer communicates that he values the employee and cares for him. This induces social exchange processes.

_Hypothesis 1: HRM inducements and investments lead to more beneficial individual level employee reactions than expectation-enhancing HRM_

The link has been theorized to be moderated by contextual variables and employee’s personal needs (Shore et al., 2004). This theorizing is consistent with the recently recognized importance of these mechanisms for explaining the black box between HRM and performance (Nisshii & Wright, 2008). In our conceptual model, we will develop propositions for the intervening role of contextual variables in the link between EOR and employee reactions. More particularly, we discuss the role of job complexity and leadership behaviour.

**Match between HRM approach and job complexity**

The above arguments concern the relationship between the HRM approach and employee reactions. In this section, we build arguments that the relationship between HRM inducements and investments, and employee reactions will be stronger for high-complexity than for low-complexity jobs. In contrast, we propose that expectation-enhancing HRM will be more beneficial for employees in low-complexity jobs than for employees in high-complexity jobs.

Tsui, Pearce, Porter and Hite (1995) propose that employment relationships should vary based on the kind of job. Jobs requiring technological and skill complexity should be managed by a mutual-investment approach characterized by broad, open-ended obligations between the employer and employee. This contrasts with economic exchange relationships, which are more common for jobs with an abundant labour supply and lower-skilled jobs, and which involve tight monitoring, explicit rules, and rigidly defined employment contracts that lack benefits and training. In other words, they suggest that job complexity is an antecedent for the HRM approach. From the employer’s perspective, different balanced exchanges should be chosen for in accordance to the job category (Tsui & Wang, 2002).

In addition to the role of job complexity as an antecedent, we propose that job complexity moderates between the HRM approach and employee reactions from the employee’s
perspective. In doing so, we answer the call by Tsui et al. (1997) as well as by Shore et al. (2004) to look into how employees define a balanced exchange. There is a need to acknowledge the employee perspective and the needs of the employee in employment relationship research. In seminal work of HRM theory, the fulfilment of employee needs was comprised as ‘a goal rather than merely a means to an end’ (Walton, 1985: 49). Furthermore, both Lepak et al. (2007) and Kinnie et al. (2005) call for research that acknowledges differences in the relationship between HRM and employee reactions for different employee groups. Lepak et al. (2007) argue that it is important to examine the impact separately for each employee group since researchers are unable to generalize whether the performance benefits linked to investing in the employee are applicable to each of them.

The concept of ‘employee groups’ is rather broad. More specifically, we expect a moderation of job complexity on the relationship between the HRM approach and the employee reactions. This expectation is built on arguments in three literature streams. (1) The social exchange theory suggests that employee needs should be considered as a moderator and (2) intrinsic motivation theory suggests different employee expectations regarding HRM depending on the degree of job complexity. (3) HRM theory and research stresses the need for internal alignment between the chosen HRM approach and the degree of job complexity.

First, within social exchange research, researchers assume that the inducements that are offered by the employer are valued by the employees. However, this assumption is not consistent with the social exchange theory. The need of the recipient stands central in the seminal work (Gouldner, 1960) and it should be revisited in current research since what is exchanged is not necessarily valued (Coyle-Shapiro & Shore, 2007). Whether employees perceive the HRM approach as beneficial, depends on whether they need it. This suggests that whether or not the employees will respond to the reciprocity norm depends on whether the offered HRM approach is beneficial to them. Not all employees require and expect organizational inducements such as career development. We expect that employees in high-complexity and in low-complexity jobs have different needs regarding the HRM approach.

Several HRM scholars have developed arguments that are consistent with this ‘different-needs-assumption’ in the social exchange theory. Employees in high-complexity jobs may have other HRM needs and expectations than employees in low-complexity jobs. Different employee groups have different expectations and they should be managed accordingly (Liu, Lepak, Takeuchi, & Sims, 2003). For instance, Lindgren et al. (2003) suggest that knowledge workers seek for a different kind of HRM, compared to administrative workers, because of their higher amount of autonomy. Also Tsui and Wu (2005) question the value of a quasi-spot approach for higher-level jobs since they desire more than a concretely stipulated short-term relationship.

Also Kinnie et al. (2005) suggest that different employee groups require different HR practices because these groups have different, tacit expectations about the nature of the job, differences in the need for autonomy and different relationships with their employer. For professionals who have an interest in lifetime employability and a boundaryless career, commitment is more related to the nature of the work (consulting to a client, writing software or solving a problem). Related to their position in the organization, professional’ jobs are complex and characterized by autonomy. Professionals also have a strong sense of intrinsic motivation and are interested in challenging work. Kinnie et al. (2005) refer to May et al. (2002) to argue that professionals associate their organizational commitment with the extent
to which they are able to develop transferable skills. For employees in low-complexity jobs development of transferrable skills is less related to commitment.

Some research findings are consistent with these arguments. Song et al. (2009) found that the mutual investment approach relates positively to affective commitment, OCB and task performance for middle managers. Additionally, Cohen et al.’s (1992) meta-analysis shows that the relationship between income and organizational commitment is significantly stronger for professional employees than for non-professional employees. In addition, they suggest that 'autonomy, which is one of the important dimensions of professionals' work, and therefore an important component of their expectations, would affect their OC more strongly than that of nonprofessionals.'

Second, intrinsic motivation theory assumes that jobs characteristics (Hackman & Oldham, 1980) and autonomy-supportive context such as HR practices (Deci & Ryan, 1987) influence intrinsic motivation. High-complexity jobs require employees to demonstrate and reinforce their competences. It is more mentally challenging than low-complexity jobs and, therefore, it is likely to have positive motivational outcomes (Deci & Ryan, 1987; Morgeson & Humphrey, 2006). Morgeson et al. (2006) found that knowledge characteristics such as job complexity, problem solving, skill variety, information processing are positively related to training and compensation requirements. Changes to the knowledge-based aspects of work increase the number and level of knowledge, skills, and abilities required (Morgeson, 2006).

According to MacDuffie (1995), employees need to be motivated for HRM to lead to performance. Since motivational characteristics of the job, such as job complexity, influence this motivation (Humphrey, Nahrgang, & Morgeson, 2007), it is reasonable to expect that job complexity will moderate this relationship. Employees in high-complexity and low-complexity jobs may respond differently to the same HRM approach. High-complexity jobs generate more intrinsic motivation than low-complexity jobs. For employees in complex jobs, HRM inducements and investments may complement their intrinsic motivation needs and have a more positive impact on their reactions compared to employees in low-complexity jobs.

Third, HRM theory suggests the need for aligning the HRM approach and the degree of job complexity. HRM theory stresses the need for internally aligned HRM practices to elicit congruent behaviours from the employees (Wright & Snell, 1998). The HRM practices can be regarded as communication devices. For sending unambiguous messages, it is important that HRM practices are consistent with each other and, thus, send the same signals (Bowen & Ostroff, 2004).

On the one hand, a high degree of job complexity and a high extent of HRM inducements and investments communicates similar messages. Job complexity, as an aspect of job design, is regarded as an HR practice (e.g. Walton, 1985). Humphrey and Morgeson (2007) suggest that high job complexity is intrinsically motivating and should lead to discretionary, beneficial employee reactions. Their meta-analysis shows that it leads to job involvement. HRM inducements and investments elicit similar behavioural outcomes. For instance, Snape and Redman (2010) found that development and internal labor market foster perceived job influence and OCB.

On the other hand, a low degree of job complexity and a high extent of expectation-enhancing HRM communicates similar messages of the required extrinsic motivation. Over-investment
may play a lesser role for people in low-complexity jobs as they have fewer sacrifices, investments and socioeconomic rewards than middle managers. Particularly high performance expectations are required for beneficial employee reactions in these jobs (Hom, et al., 2009). This economic exchange may be preferred by employees without a strong commitment to any organization and to employees that value financial returns over long-term career development (Jiwen Song, et al., 2009).

That the under-investment approach may lead to functional employee reactions is supported by the study of Shaw et al. (2009). In their study they found relatively low levels of quit rates among good-performing truckers and shop-floor employees in an underinvestment approach (high expectations and low inducements regarding HRM). They argue that ‘The under-investment approach, with its high expectation enhancing practices (such as pay-for-performance) may be beneficial to highly productive employees’.

Since pay-for-performance is one of the expectation-enhancing practices, it is relevant to consider arguments in this literature stream. Pay-for-performance is more strongly associated with motivation of employees with a high need for control (Eisenberger, et al., 1999). Considering that low-complexity jobs generate less intrinsic motivation, these employees require more performance-control which results in functional employee reactions. In contrast, pay-for-performance has been negatively associated with employee reactions for more complex jobs. Song et al. (2009) found that the quasi-spot contract and economic exchange relate negatively to middle managers’ affective commitment, OCB and task performance. They suggest that middle managers may perceive pay-for-performance as a means of controlling costs and monitoring performance. Thompson and Heron (2006) found that performance-related pay is negatively associated with innovative performance for R & D employees.

In sum, some employees value financial returns over long-term career development following from their expectations, motivation and interests related to the complexity of their job. We propose that the transformational nature of HRM inducements and investments answers the needs/expectations of employees in high-complexity jobs. We expect that employees in high-complexity jobs have higher needs regarding HRM inducements and investments than employees in low-complexity jobs. When the employer fulfils these needs, the employees will repay according to the social exchange norm of reciprocity with beneficial reactions to the organization. In contrast, employees in low-complexity jobs will react more functionally to expectation-enhancing HRM following economic exchange rules. These different patterns follow from differences in job-complexity. Employees with a low complexity in their jobs require more external regulation and the exchange is economic rather than social. This implies that particularly job performance may be beneficially affected through economic exchanges.

**Hypothesis 2:** job complexity\(^\text{13}\) moderates the relationship between EOR and employee reactions in such a way that:

2.1. Employees in high-complexity jobs will respond more beneficially to the *HRM inducements and investments* than employees in low-complexity jobs.

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\(^{13}\) Interestingly, whereas most researchers measure and analyse job complexity at the individual level, Humphrey et al. (2007) call for research that analyses this construct at the job level since the concept operates at the job level.
2.2. Employees in low-complexity jobs will respond more functionally (i.e. by increased job performance) to the HRM expectation-enhancing practices compared to employees in high-complexity jobs.

Match between HRM approach and leader-member exchange relationship (LMX)

In addition to our above hypotheses, we expect that employees’ perceptions of the quality of their exchange relationships within their line manager will influence the relationship between the HRM approach and employee reactions.

Purcell and Hutchinson (2007) refer to the quality of the leader-member exchange (LMX) as the operationalization of leadership behaviour within the social exchange theory. Graen and Uhl-Bien (1995) theorize that LMX contains three dimensions: respect, trust and obligation. Liden and Maslyn (1998) developed a four-dimensional construct including: loyalty, affect, contribution and respect. A high LMX explains why subordinates become obligated to their supervisor to perform in ways beyond what is required of them in the formal employment contract.

Starting from the social exchange theory, Cropanzano and Mitchell (2005: 882) state that ‘social exchange relationships evolve when employers “take care of employees,” which thereby engenders beneficial consequences’. LMX has often been researched as a mediator between inducements offered by the employer and contributions as a response in reply by the employee (Masterson, Lewis, Goldman, & Taylor, 2000; Wayne, Shore, & Liden, 1997).

In addition, it has been proposed that LMX and the trust involved may function as a lens through which the employee perceives the HRM approaches (Dirks & Ferrin, 2001; Gerstner & Day, 1997). This implies that LMX may function as a moderator as well. Consistent with this proposition, Whitener (2001) argues that employees interpret HR practices and the trustworthiness of management as indicative of the organization’s commitment to them. Following, we present general arguments for LMX as a moderator in the relationship between HRM and employee reactions.

There is a growing consensus of a disconnection between the intentions of HRM included in HR policy and the perceptions by the employee (Boselie, Dietz, & Boon, 2005). Consistent with the moderation proposition, his disconnection can be partially explained by the intervening role of the line manager (Purcell & Hutchinson, 2007) as demonstrated by the leadership behaviour. Similarly, Nishii and Wright (2008) suggest that employee perceptions of HR practices are partially a function of experiences with, and attitudes toward, the focal supervisor.

Purcell and Hutchinson (2007) conceptualize leadership behaviour as having a symbiotic relationship with HR practices in affecting the employees, which they refer to as ‘people management’. They have partly tested this proposition. Interestingly, employees’ perception of leadership behaviour and satisfaction with HR practices are both uniquely related to organizational commitment. However, although Purcell and Hutchinson (2007, p. 16) suggested that ‘there was an interactive and dynamic relationship between the leadership behaviour of FLMs (front-line managers) and the impact of HR practices’, they have not investigated the moderation of leadership behaviour. In our conceptual model, this moderation is explicitly present.
The importance of looking at leadership behaviour in accordance with HRM has also received some exploratory, empirical attention. For instance, Purcell (2004) found in his exploratory study that the leadership behaviour was essential in perceiving and evaluating actual HR. Truss (2001) concluded from her research that managers act as a powerful mediator between the individual and the HR practices. Purcell (2004) found that the effect on commitment was more negative when employees were dissatisfied with ‘how’ certain HR processes were applied, than when the practise was not applied at all.

These arguments and findings resonate well with the social exchange theory. Starting from this theory, it is important to acknowledge that there is not only an exchange between the employee and the organization taking place. In addition, there is an exchange between the employees and their line managers. The latter can jointly influence the exchange relationships (1) between the employee and themselves, as well as (2) between the employee and the organization. Consequently the line manager can influence whether the employee attributes favourable or unfavourable treatment to the actions of his/her line manager, the organisation or both (Eisenberger, Stinglhamber, Vandenberghe, Sucharski, & Rhoades, 2002).

How line managers fulfil their people management roles, often relies on their own sense of motivation and commitment. In other words, it is more discretionary than other aspects of their job. The line managers’ actual use of HR dynamically interacts with their leadership behaviour in generating effects. This interaction between both concepts suggests a moderating role of LMX in the linkage between HRM and employee reactions. Consequently, we expect that the interaction between HRM approach and LMX influences employee reactions.

We have argued that LMX moderates the relationship between the HRM approach and the employee reactions. Now we need to get an insight into ‘how’ this moderation may take place. From the literature, we have found two conflicting perspectives. The moderation may occur by alignment or compensation. First, we develop hypotheses for alignment between LMX and the HRM approach in affecting employee reactions. Second, we develop hypotheses for a compensating influence of LMX on the relationship between the HRM approach and employee reactions.

Research indicates that LMX and HRM inducements and investments send similar messages that induce similar perceptions and behaviours in return to the organization. A high LMX communicates that the line manager values the employee and is committed to the employee. As a consequence, high LMX affects social exchange perceptions (Loi, Mao, & Ngo, 2009) and discretionary behaviour (Settoon, Bennett, & Liden, 1996; Wayne, et al., 1997). This is also pursued by HRM inducements and investments. Song, Tsui et al. (2009) have shown that the mutual investment approach to HRM elicits social exchange perceptions among the employees, whereas the quasi-spot approach fosters economic exchange perceptions.

According to HRM theory, the messages that HR practices communicate should be aligned with communication by the line manager (Bowen & Ostroff, 2004). Bowen and Ostroff (2004, p. 216) suggest that ‘a strong HRM system coupled with a visible supervisor may foster stronger relationships among HRM, climate and performance than each would individually.’ The alignment of HRM and leadership can help to increase beneficial outcomes (Liu, et al., 2003). HR practices are the primary instruments for communicating the expected contributions or intended inducements. However, line managers may send messages that are incongruent with these practices (Anne S Tsui & Wang, 2002).
This need for alignment is supported by several research findings. Tsui et al. (1997) found that supervisory support (as a control variable) interacted significantly with EOR in producing dependable continuance, core task performance, commitment, perceived fairness and trust in co-workers. Zhang et al. (2008) have shown that the EOR interacts with Perceived Supervisory Support (PSS) in influencing employee trust in the organization. Supervisors play a synergistic role by accentuating the positive influence of the mutual investment approach. Kuvaas and Dysvik (2009) found that both the perceived investment in employee development and the PSS need to be high and that a high level of investments could not compensate for a low level of PSS and vice versa. They conclude that this may be either because managers influence HR perceptions or because positive experiences with managers and HR practices are both required in order to increase employee performance.

Furthermore, since perceived organizational support (POS) is conceptually close to LMX and since LMX is a predictor of this concept (Liden, Bauer, & Erdogan, 2004), it may be relevant to consider research that has looked into the moderating role of POS. Kuvaas (2008) has found that POS moderates the relationship between perceived developmental HR practices and work performance. He found that employees with a high POS are more open to use HR practices to perform.

Building on these arguments and research findings, we propose that both the quality of the LMX and the HRM inducements and investments should be high in order to align them. The combination of both offers a strong synergy and may foster discretionary behaviour and social exchange perceptions.

*Hypothesis 3.1*: LMX moderates the relationship between the HRM approach and employee reactions in such a way that both the HRM inducements and investments and the LMX need to be high for beneficial employee reactions.

When LMX is low, HRM inducements and investments may lead to less beneficial employee reactions. We propose that expectation-enhancing HRM is more appropriate when LMX is low, in order to be aligned with each other.

Developmental HRM may lead to a reduced work performance for employees with a low POS. Kuvaas (2008) suggest that it fosters acting opportunistically in the own individual interests rather than in the organizational interests. Employees with a low POS may not feel obliged to use the HR practices to grow and develop. It may be possible that a more economic relationship with the organization may make employees reluctant to any attempts by the organization to use developmental HRM to develop emotional or social ties with their employees. Also it increases the likelihood that employees act opportunistically by giving primacy to individual interests.

Similarly to this reasoning, we propose that expectation-enhancing HRM is more effective than HRM inducements and investments when the relationship between the line manager and the employee is characterized by a low quality LMX. Under such conditions there is neither trust nor feelings of obligations to respond beneficially to HRM inducements and investments which typically allow discretionary space. The line manager plays a critical role as the key agent in the organization (Liden, et al., 2004). Therefore a low LMX may imply that the employee does not act upon the norm of reciprocity by responding in favour of the organization.
Hypothesis 3.2: moderates the relationship between the HRM approach and employee reactions in such a way that when LMX is low expectation-enhancing HRM leads to enhanced job performance.

In contrast, other authors have argued that HR practices and LMX may compensate for each other. For instance, Tsui and Wang (2002) argue that LMX can influence the interpretation of the employer’s intended employment relationship. The employee may engage in OCB under an extremely supportive and stimulating supervisor although the HRM inducements and investments are low. Similarly, Purcell and Hutchinson (2007) argue for a compensatory model where high versus low quality of leadership behaviour and HR practices could compensate for each other.

This compensatory model can also be argued from a social exchange perspective when looking at the central concept of trust. Social exchange theory suggests that trust influences employee behaviour and intentions (Blau, 1964). Since LMX has a conceptual overlap with trust in manager (Dirks & Ferrin, 2001), it is also relevant to consider insights from this literature.

In a social exchange, the contributions in return are of a discretionary nature. This encloses the risk that the benefits provided will not be returned. That is why this trust element is vital (Coyle-Shapiro & Shore, 2007). Meta-analysis results suggest that the relationship with one’s supervisor is a lens through which the entire work experience is viewed (Gerstner & Day, 1997). Therefore, Dirks and Ferrin’s (2001: 459) propose that trust moderates the relationship between a partner’s action and the truster’s response:

‘under high levels of trust, one is more likely to respond favourably to a partner’s action than under low levels of trust. … people’s pre-existing beliefs and evaluations guide their interpretations of objective reality’.

Consistent with this reasoning, Zhang et al. (2008) have shown that the quasi-spot contract interacts with Perceived Supervisory Support in influencing employee trust in the organization. Supervisors play a compensating role by attenuating the negative influence of the quasi-spot contract.

Building on this literature, we propose that the HR practices enacted by the line manager will result in different attitudinal and behavioural responses depending on the quality of LMX. Under high LMX, cooperative behaviour may be reciprocated to high HRM inducements and investments. In addition, a high quality LMX may influence how the employee perceives the expectation-enhancing HRM. The negative influence of this kind of HRM may be attenuated.

Hypothesis 4.1: LMX moderates the relationship between the HRM approach and employee reactions in such a way that a high LMX compensates for a low level of HRM inducements and investments in affecting employee reactions.

Hypothesis 4.2: LMX moderates the relationship between the HRM approach and employee reactions in such a way that a high LMX compensates for (attenuates) the relationship between HRM expectation-enhancing practices and employee reactions.

Not only may a high LMX compensate for less beneficial HRM approaches. In addition, a beneficial HRM approach may compensate for a low LMX.
Consistent with this proposition, Settoon et al (1996: 220) have argued that “members who benefit greatly from their formal contracts, even those with low leader-member exchange relationships, may feel obligated and willing to contribute to the organization”.

Similarly to the work by Whitener (2001), the HRM approach is the intervening variable in this proposition.

Hypothesis 4.3: a high extent of HRM inducements and investments moderates the relationship between LMX and employee reactions in such a way that a high level of HRM inducements and investments compensates for low LMX in affecting employee reactions.

**Match between HRM approach, job complexity and leadership behaviour**

In hypotheses 2 until 4, we argue that the HRM approach interacts with the degree of job complexity and with the quality of LMX to influence employee reactions. For high-complexity jobs, HRM inducements and investments would influence employee reactions, while for low-complexity jobs expectation-enhancing HRM would be important for influencing employee reactions. In addition, the interaction between leadership behaviour and the HRM approach would influence employee reactions.

In this section, we argue for effects of the fit between leadership behaviour and HRM approaches for employees in high-complexity versus low-complexity jobs. If our hypotheses are correct, this goes beyond the need for a horizontal integration between the HRM approach and leadership behaviour. In addition, this horizontal integration may need to fit with the degree of job complexity.

Liu, Lepak et al. (Liu, et al., 2003) build on the theory of organizational alignment by Semler (1997) to argue that the alignment between HRM and effective leadership is required for beneficial outcomes (Semler, 1997). They encourage “research to empirically examine the implications related to the fit (or misfit) between employed leadership styles and human resource practices for different groups of workers”.

In particular, the appropriateness of this fit may depend on employees’ job experience. Employees judge the leadership behaviour (Purcell, 2004) and the HR practices through the lens of their job experience (Purcell & Hutchinson, 2007).

We expect that needs for social exchange are higher for employees in high-complexity jobs. This social exchange element is communicated by the HRM approach and the leadership behaviour. In contrast, employees in low-complexity jobs may rather demand an economic exchange. As a consequence, they may not act beneficially to social exchange efforts that imply obligations of reciprocity.

Employees in high-complexity jobs may have higher expectations regarding LMX and HRM inducements and investments. When these expectations are not fulfilled, this may have a higher impact on their reactions in return. These expectations go beyond the strict fulfilment of the employment contract since they have to make more investments in their jobs. Consistent with the norm of reciprocity, they have high demands from their employer in return. They expect to be treated according to unwritten social exchange rules. When this expectation is not fulfilled, this may affect their reactions.
Higher autonomy at work is associated with a stronger commitment-performance correlation (e.g. Meyer & Allen, 1997). Since commitment responds to social exchange rules, it may be that employee performance in high-complexity jobs also operates according to these rules.

Since professionals’ jobs are significantly and strongly associated to a high job complexity (Morgeson & Humphrey, 2006), it is relevant to consider theory and research on professionals. Purcell and Hutchinson (2007) argue that the demands of professionals, are higher than those of employees in low-status jobs. These demands could concern a high extent of HRM inducements and investments, and a high quality LMX. This argument is built on the assumption that employee’s experience of people management regards a symbiosis between HRM approach and leadership behaviour (Purcell & Hutchinson, 2007).

Consistent with this arguments, Purcell (2004) found in his exploratory study that among employee groups particularly professionals’ commitment depended on the employee’s perception of HRM and their relationship with the line manager.

In contrast, employees in low-complexity jobs, may dislike responding to obligations inherent in a high quality LMX, nor on those implied in HRM inducements and investments. Therefore, it may be that a high LMX combined with HRM inducements and investments results in less beneficial results for employees in low-complexity jobs than for those in high-complexity jobs.

Hypothesis 5: the positive moderation of LMX between HRM inducements and investments and employee reactions will be more positively related to employee reactions for employees in high-complexity jobs than for employees in low-complexity jobs.

For the remaining two hypotheses, we build on the work by Liu, Lepak et al. (Liu, et al., 2003). They have built a framework in which leaders should adjust their behaviours according to the employment relationship and the demands of different employment groups. For their framework, they start from the path–goal theory of leadership by Yukl (1989) for acknowledging the characteristics of the job.

High-complexity jobs are characterized by non-standardized processes, low levels of predictability and lack of routine work. These kinds of jobs ask for a high level of discretionary effort in order to be successful. Leadership behaviour and HRM approach can either foster this requirement or prevent it. When it is fostered, this will result in beneficial employee reactions in return.

An empowering leadership style combined with high HRM inducements and investments answer the demand for discretionary space in high-complexity jobs. On the one hand, HRM inducements and investments foster intrinsic motivation required for high-complexity jobs, as argued before. On the other hand, employees get control and autonomy through empowering leadership. This fosters the required interest and intrinsic motivation in the work (Liu, et al., 2003).

Thus, for high-complexity jobs HRM inducements and investments fit well with an empowering leadership style to generate the required discretionary space for being successful in these kinds of jobs. Therefore, we propose the following:
Hypothesis 6: the positive moderation of empowering leadership between HRM inducements and investments and employee reactions will be positively related to employee reactions for employees in high-complexity jobs.

For low-complexity jobs, we argue that an economic exchange leads to the most beneficial employee reactions. Since these jobs lead less to self-control and intrinsic motivation, the employees feel less obliged to act upon unwritten social obligations. Above we have already proposed that expectation-enhancing HRM would foster employee reactions for such jobs. Since the exchange is economic, this would be particularly relevant for employee performance.

Pawar and Eastman (1997) suggest that employees in routine jobs will be resistant to leader transformation efforts beyond that which is necessary to carry out their tasks. When given inducements regarding HRM or leadership behaviour that communicates a social exchange orientation, employees in low-complexity jobs may not react upon the norm of reciprocation.

Building on their literature review, Liu, Lepak et al. (2003) suggest that a transactional leader focuses on the rational exchange of rewards for performance. There is a strong emphasis on motivating employees through incentives.

This leadership style matches well with the goals in expectation-enhancing HRM. We propose that a fit between both leads to the most beneficial employee performance for low-complexity jobs.

Hypothesis 7: the positive moderation of transactional leadership between expectation-enhancing HRM and employee performance will be positively related to employee reactions for employees in low-complexity jobs.

Conclusion
The theoretical model of our dissertation builds on literature that studies the outcomes of HRM from the perspective of the social exchange theory. We pursue to contribute to this literature stream by exploring the intervening role of contextual variables in this relationship.

HRM influences organizational performance through employee-level mediators such as commitment, motivation and employee performance. This causal model guides both theory and research in HRM (e.g. Boselie et al., 2005). In the employee-organization literature (EOR), it is suggested that two dimensions of HRM operate differently in affecting employee reactions (cfr. Tsui et al., 1997). Shaw et al. (2009) builds on this work to propose a bundle of HRM inducements and investments and a bundle of expectation-enhancing HRM.

We build on Shore et al. (2004) to propose that internal contextual factors moderate the relationship between these bundles and employee reactions. They also propose that personal and dispositional characteristics may intervene in this relationship. Our focus lies on the internal contextual factors since these are the factors that can be managed. First, we explore the role of job complexity. Second, we explore the role of leader-member exchange. Finally, we explore the fit of job complexity and leadership behaviour.

It is widely acknowledged that organizations should start form the job to assign an appropriate HRM approach (Lepak & Snell, 1999). EOR theory suggests that job complexity is an
antecedent to the EOR (Tsui et al., 1995). In addition, a recent review shows that job complexity is an antecedent to employee reactions (Humphrey et al., 2007). In our conceptual model, we propose that job complexity moderates the relationship between the HRM approach and employee reactions.

Job complexity affects the meaningfulness and experienced responsibility (Hackman & Oldham, 1980). This is similar to how HRM inducements and investments are suggested to operate through social exchange of discretionary effort (Cropanzano & Mitchell, 2005). In contrast, a high extent of expectation-enhancing HRM may weaken the perceptions of reciprocation or social exchange (Hom et al., 2009). This suggests that the extent of job complexity and the nature of the HRM should be horizontally linked with each other to generate beneficial employee reactions. Horizontal linkage refers to whether the HRM practices deployed elicit congruent employee behaviours (see McMahan et al., 1999; Wright & Boswell, 2002).

Furthermore, leader-member exchange which has been researched as a mediator between HR practices and employee reactions (Wayne, et al., 1997), can also be regarded as a moderator from which the employees interpret the HRM practices.

In the first part of the dissertation, we propose that the degree of job complexity dictates the employee needs regarding an appropriate HRM approach. When HRM responds to these needs, the highest impact on beneficial employee reactions may be expected.

In the second part of the dissertation, we introduce the quality of leader-member exchange relationship, which functions as employee’s perspective to interpret the HRM approach. This exchange relationship forms the lens with which the employees interpret the HRM inducements and investments, and the expectation-enhancing HRM.

In the final part of the dissertation, we combine job complexity and several aspects of leadership behaviour (LMX, transactional leadership and empowering leadership) into one framework. A different route is proposed for influencing reactions of employees in low-complexity and high-complexity jobs by the HRM approach and the leadership behaviour.
References


Appendix Theoretical model: intervening mechanisms in the relationship between EOR and employee reactions
ABSTRACT

This research examines coworkers’ reactions to an individual’s deviant behaviour that transpires outside the workplace (referred to as “extra-organizational deviance”). Previous organizational research on deviance has focused on work-related transgressions or personal transgressions that occur within the workplace, with little attention paid to the impact of deviance that is unrelated to the workplace. However, several examples of extra-organizational deviance have been highlighted in the media recently, suggesting that personal behaviours may indeed have an impact on the workplace. In these reports, there is little recognition of the effect that these behaviours can have on the employees within the organization: this interpersonal dynamic is the focus of the current research.

Drawing on the labelling process in reactions to deviance, a model of the interplay of a coworker’s extra-organizational deviance and an individual’s reactions to that coworker has been developed. Three studies were conducted to further explore the model in order to more fully understand the phenomenon of extra-organizational deviance. The first study established the relevance of extra-organizational deviance in individuals’ work lives and highlighted the detrimental effect that behaviours outside of work could have at work. The second study demonstrated that when individuals learned of their coworker’s extra-organizational deviance, perceptions of trust, trustworthiness, and liking all decreased. The third study highlighted the complexities in reactions to extra-organizational deviance, particularly as it relates to competence and liking.

Keywords: deviance, trust, employee relationships
In the media and in our own lives, we hear stories about individuals who engage in a variety of deviant acts. Consider, for example, the case of Charlie Sheen who is drawing a lot of media attention for his antics. Strange behaviour, it seems, is all around us; at some point, the question that needs to be asked is what the implication of this behaviour is for the workplace. To date, research on the impact of deviance in the workplace has focused on organizational deviance, or deviance that happens within the workplace. This research focuses on extra-organizational deviance, a phenomenon of deviant behaviour that does not occur in the workplace and is generally unrelated to workplace operations. Extra-organizational deviance is differentiated from workplace deviance, which is defined as voluntary behaviour that violates significant organizational norms and threatens the well-being of the organization or its members, or both (Robinson & Bennett, 1995). Whereas drinking on the job is an example of workplace deviance (Bennett & Robinson, 2000), excessive drinking after work is an example of extra-organizational deviance. This paper will explore the relationship between extra-organizational deviance and person perception, and its implications for the workplace.

Deviance

In general terms, deviance refers to beliefs, behaviours, or traits that violate or deviate from a norm held by a group of people (Goode, 2001). This deviation from norms often induces negative reactions from the members of the group who observe or hear about it, although the negative reactions vary depending on the degree and type of the deviance and the power of the individual committing the deviant act, among other things. Ultimately, it is not the deviant act that is of interest here, but rather it is the reaction to that act that is the focus of the current research.

In the late 1950s, deviance scholars studied various forms of deviant behaviour, but wrote little about reactions to deviance (e.g. Cohen, 1959; Merton, 1959). Kitsuse (1962) and other labelling theorists began to focus not on the question of why an individual behaved in a certain way, but rather why that behaviour was judged deviant and what the consequences of that judgement were. A key aspect of labelling is the audience, since it is the audience who ultimately determines whether the behaviour is labelled deviant (Erikson, 1964). The emphasis on the audience allows for variation in what is considered deviant, because what one might consider deviant, another might not.

Ashforth and Humphrey (1997) noted that labelling theory is a means of providing the social context for constructing and communicating meaning in an organizational setting. An individual who views a coworker’s behaviour in a negative light will tend to view the coworker negatively as well; the label attached will serve to reinforce the judgement. Ashforth and Humphrey (1995) indicated how labels can influence behaviour through creating psychological distance between individuals and their coworkers as well as altering their interpersonal interactions. Labelling theory also provides support for the idea that an individual’s behaviours are seen as expressing his or her values. Torelli and Kaikati (2009) found that in different situations, behaviours are assumed to express values, and noted that providing meaning for a counterpart’s behaviour is necessary and important for managing responses in interpersonal situations.

According to Goode (2001), labelling theory suggests that if no audience is present to make a judgement about the behaviour and the individual, neither the behaviour nor the individual can be termed deviant. This aspect of labelling theory is important to consider in the current work. If an individual engages in deviant acts outside of the workplace, it is unlikely that the audience for those acts would consist of that individual’s coworkers. Under most circumstances, individuals could expect that what happens outside of work would not be observed by those with whom they work. However, should coworkers find out about the
individual’s behaviour outside of work, and judge it as deviant, there will be ramifications for the individual and possibly for the coworkers as well. Although coworkers are likely not the most obvious audience for extra-organizational deviance, their reactions can have a strong impact on individuals who engage in deviant behaviours beyond the workplace.

Kitsuse (1962) formulated a concise analysis of the process of societal reactions to deviance: deviance is a process by which individuals “(1) interpret behaviour as deviant, (2) define persons who so behave as a certain kind of deviant, and (3) accord them the treatment considered appropriate to such deviants” (Kitsuse, 1962: 248). This framework will be used as a starting point to understand how individuals react to the extra-organizational deviance of their coworkers. In a workplace situation, Kitsuse’s process would involve learning about the extra-organizational behaviours of an individual and deciding that behaviour was deviant, judging the individual who engaged in those behaviours as deviant, and then treating that person consistently with the judgements made.

Individuals have both attitudinal and behavioural reactions to the extra-organizational deviance of their coworkers. The attitudinal reactions correspond with the second step of Kitsuse’s model in which, after interpreting behaviour as deviant, individuals define people who so behave as a certain kind of deviant. The behavioural reactions correspond with the third step of Kitsuse’s model in which the individuals accord appropriate treatment to those who engaged in the deviant behaviour. This paper focuses primarily on the first two steps of Kitsuse’s process.

Person Perception and Expectations in Reactions to Deviance

Research in person perception has focused on two dimensions: social and intellectual desirability (De Bruin & Van Lange, 2000) which correspond to the central moderators in this paper: liking and competence. Social desirability is conceptually linked to morality (Joireman, Kuhlman, Van Lange, Doi & Shelley, 2003; Reeder & Coovert, 1986). Both dimensions in the area of person perception resonate for the current research: extra-organizational deviance has not only a morality component, but also an ability or competence component once it is considered in the workplace.

The category diagnosticity approach (Skowronski & Carlston, 1989) considers both ability and morality, and suggests that a negativity bias is characteristic of morality judgements whereas positivity biases are characteristic of ability judgements. Further, a negativity bias suggests that more attention is paid to negative information than to positive or neutral information, in part based on the expectations about the way individuals should behave in certain situations (Skowronski & Carlston, 1989). Reeder and Brewer (1979) suggested that individuals see negative information as highly diagnostic, and Smith and Collins (2009) proposed that it is difficult for individuals to avoid making negative judgements on the basis of negative information. Such reasoning would indicate that negative extra-organizational deviance would have more of an impact on an individual’s perceptions of his or her coworker than positive extra-organizational deviance.

Additionally, research has found that individuals consider morality information more diagnostic in their judgements than competence information (e.g. Reeder & Coover, 1986). De Bruin and Van Lange (1999, 2000) found that their study participants would search for morality information before competence information when selecting information for impression formation; morality information also had a greater impact on global impressions than competence information. It is possible, then, that despite a high level of competence at work, perceptions will be coloured by information about negative extra-organizational deviance.
Expectations also play a role in person perception. When dealing with new knowledge (such as extra-organizational deviance) that fits with previous expectations, prior thoughts or feelings for that coworker will likely be applied to the situation (Skowronsksi & Carlston, 1989). That is, if an individual does not have high expectations for a coworker’s conduct, negative extra-organizational deviance would solidify previous negative thoughts about that coworker. However, should a situation not conform to expectations, other thoughts will be activated such that if an individual does have high expectations for a coworker’s conduct, negative extra-organizational deviance may lead to a reassessment of that coworker, most likely resulting in a negative view of that coworker.

Trust and trustworthiness

Trust is of primary importance to the current research is trust, deserving of attention in order to understand the reaction to extra-organizational deviance from a coworker’s perspective. Trust has been defined as “a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another” (Rousseau, Sitkin, Burt & Camerer, 1998: 395). Trust can be compromised with knowledge of questionable behaviours, since that knowledge may make the acceptance of vulnerability difficult and expectations may be violated. In the present research, it is proposed that once individuals interpret their coworker’s negative behaviour as deviant, they will define their coworker as someone who may not be trusted.

Research on trust in the workplace has focused on behaviours that occur in the workplace, but the question that remains for the present research is whether behaviours that occur outside of the workplace have an impact on trust in the workplace. Salam (2000) suggested that leaders can be competent and trusted in one domain but not in another. This finding is particularly relevant for the current research, as it suggests that individuals are capable of separating one area from another when making trust judgements about others.

Certain definitions of trust incorporate a moral component which is relevant to the current consideration of extra-organizational deviance. Hosmer (1995: 399) defined trust as “the expectation…of ethically justifiable behaviour – that is, morally correct decisions and actions based upon ethical principles of analysis.” If there are moral expectations in trusting another, acts deemed immoral and as such deviant by one individual could diminish trust of the individual who engaged in said acts, no matter the context. Similarly, acts that are seen as heroic or morally exemplary could increase the trust of the individual who engaged in those acts.

\( H1a: \) Knowledge of a coworker’s negative extra-organizational deviance will lower the amount of trust an individual has for that coworker.

\( H1b: \) Knowledge of a coworker’s positive extra-organizational deviance will increase the amount of trust an individual has for that coworker.

Conceptually distinct from trust is the related structure of trustworthiness. Mayer, Davis and Schoorman (1995), for example, suggested in their model that trustworthiness embodies characteristics of the trustee (ability, benevolence and integrity) that are antecedents

14 Although all deviance is not immoral, most immoral behaviours are deviant, in that they violate societal norms about what is good and right. The two concepts are highly related (Lauderdale, 1976; Seabright & Schminke, 2002) and are often used interchangeably.
of trust. People must be trustworthy before others are willing to be vulnerable and expect positive outcomes of them. In their meta-analysis of the relationship of trust and trustworthiness with risk taking and job performance, Colquitt, Scott and Lepine (2007) found that the components of trustworthiness, ability, benevolence and integrity, had significant, unique relationships with behavioural outcomes such as risk taking, and further were predictors of affective commitment. Thus they suggest that not only is trust a key to organizational outcomes, but trustworthiness is an important component as well (Colquitt et al., 2007).

Two of the dimensions of trustworthiness, ability and integrity, correspond to intellectual and social desirability respectively. The other dimension, benevolence, draws on the interpersonal relationship by understanding one’s belief that another wants to do good to him or her (Mayer et al., 1995). In situations of extra-organizational deviance, an evaluation of trustworthiness will consider a work-related aspect (ability), a deviance-related aspect (integrity), and a relationship-related aspect (benevolence). Because information relating to integrity is seen as being more diagnostic than information relating to ability (Reeder & Coovert, 1986), an overall evaluation of trustworthiness in a situation of extra-organizational deviance is expected to draw on the nature of the deviance itself.

H2a: Knowledge of a coworker’s negative extra-organizational deviance will lower an individual’s perception of that coworker’s trustworthiness.

H2b: Knowledge of a coworker’s positive extra-organizational deviance will increase an individual’s perception of that coworker’s trustworthiness.

Liking

Amicable coworker relations have benefits for the coworkers involved, for others around them, and for the organization as a whole. Positive coworker relationships have been linked to increased job satisfaction (Ducharme & Martin, 2000) and organizational commitment (Leiter & Maslach, 1988), as well as lowered absenteeism (Scott & Taylor, 1985). Although liking one’s coworker is important at work, there is little incentive for these relationships to exist outside of work. Similar to trust, liking is context-specific: a coworker can be enjoyed and liked as a person with whom to work without being someone with whom one socializes outside of work.

Even as coworkers like each other at work, there are opportunities for behaviours outside of work to interfere in that relationship. In a study of workplace friendship deterioration, Sias, Heath, Perry, Silva, and Fix (2004) found that distracting life events, such as problems with a spouse or excessive alcohol use, led to workplace relationships becoming strained. An individual who does not like or agree with coworker’s negative extra-organizational deviance may like that individual less; similarly, liking a coworker’s positive extra-organizational deviance may lead an individual to like the coworker more.

H3a: Knowledge of a coworker’s negative extra-organizational deviance will lower the liking an individual has for that coworker.

H3b: Knowledge of a coworker’s positive extra-organizational deviance will increase the liking an individual has for that coworker.
Moderators of Attitudinal Reactions

Two factors in particular, liking and competence, are thought to moderate the relationship between a coworker’s extra-organizational deviance and the attitudinal reactions an individual has. The importance of likeability was highlighted in a study in which Bown and Abrams (2003) found that likeable deviants (those who went against the norms of the workplace) were evaluated more positively than unlikeable deviants. The inclusion of competence as a proposed moderator of extra-organizational deviance is necessary because it allows for the work-related aspect of the phenomenon to play a role.

Research in person perception has shown that individuals do not want to compromise their previously held opinions of others (Crocker, Hannah & Weber, 1983). In situations dealing with extra-organizational deviance, individuals will tend to be consistent with their opinions, such that if there were high levels of liking for a coworker beforehand, the effects of the extra-organizational deviance will be somewhat attenuated. A similar situation is expected if an individual views a coworker as highly competent.

H4a: An individual’s high initial levels of liking for a coworker will moderate the relationship between that coworker’s extra-organizational deviance and attitudinal reactions to the extra-organizational deviance, such that reactions to negative extra-organizational deviance will be attenuated and reactions to positive extra-organizational deviance will be heightened.

H4b: An individual’s high initial competence evaluation of a coworker will moderate the relationship between that coworker’s extra-organizational deviance and attitudinal reactions to the extra-organizational deviance, such that reactions to negative extra-organizational deviance will be attenuated and reactions to positive extra-organizational deviance will be heightened.

Methodology

The current research was conducted using three studies: an exploratory study, a vignette study, and a qualitative study. The research design is mutually reinforcing: the qualitative research facilitates the quantitative research, which in turn facilitates the qualitative research (Bryman & Teevan, 2005). In this research, the first study established a more concrete understanding of the phenomenon of extra-organizational deviance and its impact on the workplace. The second study builds on the first by considering potential reactions to real coworkers’ extra-organizational deviance. The third study builds on the second by following up on actual examples of a coworker’s extra-organizational deviance that the individual has experienced in his or her work life.

Study One

The core research question for this study focused on the existence of extra-organizational deviance, and, with the establishment of its existence, how the behaviours in a coworker’s personal life might intersect with his or her professional life. With a focus on the relatively new area of extra-organizational deviance that has not yet been explored in organizational behaviour literature, a qualitative approach was deemed most appropriate to investigate the phenomenon. This approach is considered fitting when little is known about a phenomenon in organizational literature (Edmondson & McManus, 2007).

Participants

There were twelve participants, seven women and five men, all of whom have worked in managerial or professional roles for at least five years. The average age of participants was
39.8. Participants were recruited by word of mouth, and represented a wide variety of industries (e.g. transportation, education, communications, healthcare).

Procedure

This research involved a series of semi-structured, individual interviews in which participants were asked a variety of questions about the interplay of personal and professional lives. Certain specific questions were asked of each participant by the researcher, but variations existed in the interviews in situations in which the participants were encouraged to elaborate on previous answers.

Results

The interview transcripts were reviewed for the emergence of themes relating to the different types of extra-organizational deviance the participants had experienced, along with the reactions they had to the situations they were presented with. A summary of the results and corresponding quotations can be found in Table 1.
<table>
<thead>
<tr>
<th>Topic</th>
<th>Explanation</th>
<th>Sample Quotations</th>
</tr>
</thead>
</table>
| Knowledge of coworker’s behaviours outside of work | All participants were aware of at least some behaviours that their coworkers engaged in outside of work. | - during the week I pretty much know most things they do and on weekends if they’re close to me I’d know quite a bit  
-I have a fair understanding of what they do in their personal life and who they are in their personal life  
-I know a fair bit about what my coworkers are doing outside of work. |
| Nature of extra-organizational deviance   | The range of behaviours talked about by participants is extensive.           | -extra-marital relationships  
alcohol abuse  
-visits to strip clubs  
-child-rearing practices  
-religious extremism  
-swinging  
-child pornography |
| Relationship between work and non-work behaviours | Participants acknowledged some difficulty in reconciling different behaviours in the two domains. | -because of the notion of integration, when they’re doing something weird in their personal or social lives, then that’s why you do suspect them  
-people are judged by the company they keep and success in terms of success in the workplace, unfortunately for better or worse, has a lot to do with who you hang out with and what kind of company you keep  
it’s kind of surprising that a person can carry themselves that way and then act a completely different way outside the office |
| Reactions to extra-organizational deviance | Participants talked about both inclusive and exclusive reactions when discussing how they would react to a specific scenario. | -I might even try to find out if there’s anything I can do to help [inclusive]  
in order to maintain the trust I would have to talk to the person about it [inclusive]  
-not wanting to get caught in the middle of it, I’d try to avoid the subject or sometimes avoid the person [exclusive]  
-I would distance myself from them [exclusive]  
-my general reaction would be a little bit of withdrawal, not trying to correct her or anything, but I would probably just withdraw and just do the bare necessities [exclusive]  
-it would be a tidbit of gossip [exclusive] |
| Role of liking                             | Participants noted that their reaction to the coworker in question would be dependent on the level of liking. | -probably the degree of disengagement would be greater for the person I disliked and less for the person I did like  
-for me it would probably piggyback on each other…it would take a fair bit of energy on my behalf to treat them equally.  
it would probably make me dislike them even more  
-maybe a good enough friend I would take it in my own hands and either try to help them or talk to them and see what’s going on |
| Role of competence                        | Similar to liking, participants’ reactions to their coworkers would be dependent on the coworker’s competence. | -I think it would be dependent on how I perceived that person’s work or how I felt we all worked together  
-if the person who I think is incompetent did something reprehensible I would have even less faith in the work that they did |
**Knowledge of Extra-organizational Deviance.** All participants knew at least in general terms about some extra-organizational behaviours of their coworkers. Further, based on this knowledge, individuals made judgements about these behaviours, although they often acknowledged that it was not necessarily appropriate. Participants also carried forth the judgements about the behaviour to the judgements of the coworker in question, seeing a relationship between who their coworkers are and what those coworkers do outside of work (e.g. “when they’re really doing something weird in their personal or social lives, because our lives are ideally integrated, then that’s why you do suspect them”).

**Nature of Extra-organizational Deviance.** Participants were asked about their knowledge of specific examples of “questionable behaviour” in which their coworkers engaged in their personal lives. A wide variety of behaviours were listed, ranging from money mismanagement (e.g. incurring a lot of personal debt) to parenting issues (e.g. spanking children). Two types of behaviours were mentioned by a many respondents: drinking (especially excessive drinking) and sexual behaviours (e.g. extra-marital affairs, promiscuity, swinging). Although infrequent, some participants did mention positive behaviours throughout the interviews, so the questions were appended in order to encourage participants to consider positive behaviours in addition to negative behaviours.

**Discussion of Study 1**

This exploratory study solidified the concept of extra-organizational deviance as a social phenomenon with the potential to have very real workplace implications. Supporting the labelling process suggested by Kitsuse, this study pointed strongly to the relationship between a coworker’s extra-organizational deviance and an individual’s changed perceptions of, and reactions to, that coworker.

**Study 2**

Study Two builds on Study One by seeking to understand extra-organizational deviance in the context in which it occurs, the workplace. This study is a pretest-posttest design that allows for a greater understanding of the changes to an individual’s perceptions of a coworker when knowledge of extra-organizational deviance is discovered.

**Participants**

Participants for this study were primarily recruited through a large Canadian professional association dedicated to the advancement of the human resource profession, and one of its related local chapters in southern Ontario. Potential study participants were informed of the study in a monthly newsletter sent out by the association, as well as in a more targeted email sent out to members of the local chapter. Additionally, mature students who work full-time and were engaged in part-time graduate studies at two Canadian universities were also contacted by email and invited to participate. Snowball sampling was encouraged to identify other individuals who fit the target population (business people with a number of years of work experience).

A total of 179 participants completed the first questionnaire. A total of 120 participants completed the second questionnaire, representing an attrition rate of 33%. The sample was 68% female, which is representative of population of the primary population that was targeted (Dobson, 2009; Statistics Canada, 2006). The majority of participants (50.8%) were between 26 and 35 years old, with another 24.1% falling between 36 and 45 years old. Participants came from a wide variety of industries including education, law, healthcare, consulting and government.

**Procedure**
Data were collected from participants at two stages, separated by one week. Participants completed both questionnaires online. The opening web page of each questionnaire explained the purpose of the research and provided instructions for completion. Participants were assured of their anonymity, and of the fact that the identifying information that was collected (birth date and mother’s maiden name) to link the two questionnaires would be removed and destroyed once the questionnaires were matched. Participants signalled their consent by proceeding with the questionnaire.

At Time 1, participants were asked to list three coworkers from their workplace. No further instructions were given about gender, organizational level, or any other characteristics in order to allow participants to choose the first three that came to mind. The questionnaire program was designed to filter these responses so participants would answer their remaining questions about only the second coworker listed. Participants were asked a number of questions about their coworker, and about their own workplace behaviours. At the end of this questionnaire, participants were asked to fill in their email address in order to receive the next questionnaire one week later.

At Time 2 (one week later), participants were randomly assigned to one of four conditions (lifesaving, n=29; triathlon, n=30; affair, n=30; drug charges, n=31). Participants were prompted by email to complete the second questionnaire. The email contained the internet link to the questionnaire for the condition to which the participant had been assigned. Once again, participants had an information page and an opportunity to signal their consent to participate by beginning the second questionnaire. In it, they were asked to name the coworker they responded about in their earlier questionnaire. Participants were then presented with one of four vignettes presenting the coworker in question engaging in either positive or negative extra-organizational deviance. Participants were asked to think about the coworker named as having engaged in the extra-organizational deviance presented in the scenario, and then respond to the same set of questions asked in the first questionnaire.

All of the data were collected through surveys and as a result are susceptible to common method bias. However, steps were taken to limit common method bias (e.g. psychological separation of measurement and anonymity of respondents) (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). The focus of the research is perceptions that individuals have of their coworkers, so single source data are appropriate here.

Materials

Four vignettes were created for use in this study, two representing situations of positive deviance and two representing situations of negative deviance. The situation in each vignette was based on an extra-organizational deviance scenario that was shared as part of Study One or that had been reported in a national newspaper, so they were all drawn from actual examples of extra-organizational deviance. Due to the sample size, the four conditions represented by the four vignettes were collapsed into two conditions, positive and negative extra-organizational deviance (n=59 and n=61 respectively). There were no significant differences found between the two positive and two negative conditions, so collapsing them is appropriate.

Vignettes ask participants to respond to hypothetical scenarios, not real-life situations that they have experienced. However, vignettes are often used in research on transgressions

In their email about the second questionnaire, participants were reminded that they would need the name of the coworker they discussed in the first questionnaire. At that time, they were told to contact the researcher if they forgot the name, and the name would be provided to them.
(e.g. Giacalone & Payne, 1995; Maule & Goidel, 2003) to capture situations that might otherwise be inaccessible due to social desirability and other concerns. Robinson and Clore (2001) found that vignette methodologies generate similar emotional responses to “real” scenarios and because the vignette anchors participants in an actual situation it reduces the possibility of an unreflective reply (Bryman & Teevan, 2005).

Measures

As noted previously, the measures used in the questionnaires were essentially identical, with the only differences being that demographic information was asked in the first questionnaire and the importance of the focal issue was asked in the second questionnaire. The internal consistencies for the scales are reported in Table 2. All scales used a seven-point Likert scale anchored with “Strongly Disagree” (1) and “Strongly Agree” (7).

Trustworthiness. The measure for trustworthiness was drawn from Mayer and Davis’s (1999) trustworthiness scale.

Trust. A six-item measure for trust was adapted from Cook and Wall (1980).

Liking. The three item liking measure was adapted from Wayne, Kacmar and Ferris’ coworker satisfaction measure (1995).

Perceived Competence. Perceived competence was measured with two items: I am often concerned about whether [my coworker] can handle the job” (reverse coded) and “[My coworker] seems to do an efficient job.”

Control Variables

Sex. Sex of the participant was used as a control variable because of its possible impact on the results. Social identity theory focuses on how individuals’ identity group memberships shape their outlook and understanding of different settings (Ashforth & Mael, 1989). To the extent that the perceiver shares a salient social identity with the perpetrator, the less likely the perceiver may be to judge the behaviour harshly.

Importance of Focal Issue. If the extra-organizational deviant act holds particular significance for the participant, he or she is likely to react more strongly to the behaviour in question. Similarly, if an individual has engaged in the target transgression him- or herself, that individual is likely to be more lenient in judging the transgression (Scott & Jehn, 2003). The importance of the focal issue to the study participant was addressed using items based on Wark and Krebs’ (2000) study of moral dilemmas.

Results

Descriptive statistics and correlations for study variables can be found in Table 2.
Table 2
Means, Standard Deviations and Correlations from Study 2

<table>
<thead>
<tr>
<th>Attitude</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trustworthiness T1</td>
<td>5.52</td>
<td>0.95</td>
<td>(.85)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trustworthiness T2</td>
<td>5.34</td>
<td>1.02</td>
<td>.86**</td>
<td>(.87)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust T1</td>
<td>5.86</td>
<td>1.14</td>
<td>.91**</td>
<td>.85**</td>
<td>(.90)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust T2</td>
<td>5.62</td>
<td>1.24</td>
<td>.76**</td>
<td>.87**</td>
<td>.84**</td>
<td>(.92)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liking T1</td>
<td>5.94</td>
<td>1.16</td>
<td>.84**</td>
<td>.76**</td>
<td>.84**</td>
<td>.73**</td>
<td>(.93)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liking T2</td>
<td>5.67</td>
<td>1.27</td>
<td>.71**</td>
<td>.87**</td>
<td>.75**</td>
<td>.88**</td>
<td>.77**</td>
<td>(.94)</td>
<td></td>
</tr>
<tr>
<td>Perceived Competence T1</td>
<td>5.44</td>
<td>1.47</td>
<td>.57**</td>
<td>.57**</td>
<td>.56**</td>
<td>.56**</td>
<td>.50**</td>
<td>.45**</td>
<td>(.77)</td>
</tr>
<tr>
<td>Perceived Competence T2</td>
<td>5.58</td>
<td>1.39</td>
<td>.59**</td>
<td>.67**</td>
<td>.64**</td>
<td>.65**</td>
<td>.54**</td>
<td>.60**</td>
<td>.74**</td>
</tr>
</tbody>
</table>

Note. Values are the mean of reported scores on a 7-point scale (1 = strongly disagree, 7 = strongly agree). Values on the diagonal are the coefficient alphas. **p < .001, *p < .01

An independent samples t-test was run for the control variables, and gender had no impact on any of the study variables, nor did the focal issue.

Attitudinal reactions. A paired-samples t-test was conducted to compare levels of trust, trustworthiness, liking, and perceived competence before and after participants read a scenario about their coworkers engaging in extra-organizational deviance. The results are presented in Table 3.

Table 3
Changes in Individual's Perceptions of Coworkers

<table>
<thead>
<tr>
<th>Attitudes</th>
<th>Time 1</th>
<th>Time 2</th>
<th>Paired Difference of Means (T1 – T2)</th>
<th>Time 1</th>
<th>Time 2</th>
<th>Paired Difference of Means (T1 – T2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust</td>
<td>35.17</td>
<td>32.41</td>
<td>2.76**</td>
<td>35.14</td>
<td>35.39</td>
<td>-0.25</td>
</tr>
<tr>
<td></td>
<td>(7.17)</td>
<td>(7.87)</td>
<td></td>
<td>(6.55)</td>
<td>(6.62)</td>
<td></td>
</tr>
<tr>
<td>Trustworthiness</td>
<td>93.57</td>
<td>87.30</td>
<td>6.28**</td>
<td>93.69</td>
<td>93.43</td>
<td>0.26</td>
</tr>
<tr>
<td></td>
<td>(16.45)</td>
<td>(19.20)</td>
<td></td>
<td>(15.97)</td>
<td>(15.14)</td>
<td></td>
</tr>
<tr>
<td>Liking</td>
<td>17.72</td>
<td>16.44</td>
<td>1.28*</td>
<td>17.90</td>
<td>17.59</td>
<td>0.31</td>
</tr>
<tr>
<td></td>
<td>(3.46)</td>
<td>(4.17)</td>
<td></td>
<td>(3.50)</td>
<td>(3.31)</td>
<td></td>
</tr>
</tbody>
</table>

Note. Standard deviations are reported in brackets underneath the means. A positive difference indicates that the attitude was higher at Time 1 than Time 2. *p < .01. **p < .001

In situations of negative extra-organizational deviance, there was a significant difference in the trust scores at Time 1 (M=35.17, SD=7.14) and Time 2 (M=32.41, SD=7.87); t(58)=4.464, p < .001. There was a significant difference in the trustworthiness scores at Time 1 (M=93.57, SD=16.45) and Time 2 (M=87.30, SD=19.20); t(53)=4.323, p < .001. There was a significant difference in the liking scores at Time 1 (M=17.72, SD=3.46) and Time 2 (M=16.44, SD=4.17); t(60)=3.217, p < .01. These results support Hypotheses 1a,
2a, and 3a, suggesting that a coworker’s negative extra-organizational deviance does have a negative impact on the perceptions that an individual has of that coworker.

In situations of positive extra-organizational deviance, there was no significant difference in the trust, trustworthiness, and liking scores at Time 1 and Time 2. Hypotheses 1b, 2b, and 3b are not supported, suggesting that a coworker’s positive extra-organizational deviance will have little impact on the perceptions that an individual has of that coworker.

**Moderators of attitudinal reactions.** It was hypothesized that high initial levels of liking and competence would moderate the relationship between extra-organizational deviance and the attitudinal reactions (trust, trustworthiness, and liking) to that deviance. Because most work relationships are positive (Baldwin, Bedell, & Johnson, 1997; Gersick, Bartunek, & Dutton, 2000) and little variance may be found when looking particularly at liking but also competence, both liking and perceived competence were operationalized as dichotomous variables. The variables were dichotomized by separating the high levels of each variable from the lower levels of the variable. That is, values of “agree” and “highly agree” (6 and 7 on the scale used for the variables) were used to represent the high levels for each variable.

As both the independent variable (extra-organizational deviance) and the moderator (liking or competence) were categorical, dichotomous variables, a 2x2 ANOVA is appropriate for assessing the moderating effect (Baron & Kenny, 1986). Moderation is indicated by an interaction. For liking as a moderator, the interaction effect is not significant for trust \(F(1,114) = 0.09, p > .05\), trustworthiness \(F(1,112) = 0.23, p > .05\), and liking \(F(1,116) = 0.012, p > .05\) in a between-subjects design. For competence as a moderator, the interaction effect is not significant for trust \(F(1,114) = 0.464, p > .05\), trustworthiness \(F(1,116) = 0.003, p > .05\), and liking \(F(1,113) = 3.038, p > .05\) in a between-subjects design.

Further analysis was done in a within-subjects design with some significant results. Paired t-tests were conducted once again, but for the four conditions representing positive and negative extra-organizational deviance and initial high levels of liking (dichotomized), and then for the four conditions representing positive and negative extra-organizational deviance and initial high levels of competence (dichotomized). Results are presented in Tables 4 and 5.
### Table 4

**Changes in Individual Attitudes by Types of Deviance and Differences in Liking**

<table>
<thead>
<tr>
<th>Behaviour</th>
<th>Negative Deviance</th>
<th></th>
<th></th>
<th>Positive Deviance</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low initial liking (n=17)</td>
<td></td>
<td></td>
<td>High initial liking (n=44)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time 1</td>
<td>Time 2</td>
<td>Paired Difference of Means (T&lt;sub&gt;1&lt;/sub&gt; – T&lt;sub&gt;2&lt;/sub&gt;)</td>
<td>Time 1</td>
<td>Time 2</td>
<td>Paired Difference of Means (T&lt;sub&gt;1&lt;/sub&gt; – T&lt;sub&gt;2&lt;/sub&gt;)</td>
<td>Time 1</td>
</tr>
<tr>
<td>Trust</td>
<td>27.7</td>
<td>25.5</td>
<td>1.81&lt;sup&gt;a&lt;/sup&gt;</td>
<td>94.9</td>
<td>37.3</td>
<td>34.3</td>
</tr>
<tr>
<td></td>
<td>(8.6)</td>
<td>(9.0)</td>
<td>(5.0)</td>
<td>(5.9)</td>
<td>(4.3)</td>
<td>(3.9)</td>
</tr>
<tr>
<td>Trustworthiness</td>
<td>75.5</td>
<td>00.0</td>
<td>8.53&lt;sup&gt;a&lt;/sup&gt;</td>
<td>21.2</td>
<td>100.5</td>
<td>10.0</td>
</tr>
<tr>
<td></td>
<td>(19.7)</td>
<td>(8.7)</td>
<td>(4.0)</td>
<td>(4.0)</td>
<td>(7.8)</td>
<td>(3.4)</td>
</tr>
<tr>
<td>Liking</td>
<td>13.4</td>
<td>12.1</td>
<td>0.10&lt;sup&gt;a&lt;/sup&gt;</td>
<td>41.0</td>
<td>19.0</td>
<td>18.0</td>
</tr>
<tr>
<td></td>
<td>(3.5)</td>
<td>(3.0)</td>
<td>(1.0)</td>
<td>(3.0)</td>
<td>(3.0)</td>
<td>(3.0)</td>
</tr>
</tbody>
</table>

*Note.* Standard deviations are reported in brackets underneath the means.  
<sup>a</sup>A positive difference indicates that the attitude was higher at Time 1 than Time 2.  
<sup>b</sup>A negative difference indicates that the attitude was lower at Time 2 than Time 1 or that more withdrawal behaviours were engaged in at Time 2 than Time 1.  
**p <.01. ***p <.001.
Table 5

<table>
<thead>
<tr>
<th>Changes in Individual Attitudes by Types of Deviance and Differences in Perceptions of Competence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low initial competence (n=23)</td>
</tr>
<tr>
<td>Behavior</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>Trust</td>
</tr>
<tr>
<td>Trustworthiness</td>
</tr>
<tr>
<td>Liking</td>
</tr>
</tbody>
</table>

Note. Standard deviations are reported in brackets underneath the means. A positive difference indicates that the attitude was higher at Time 1 than Time 2. A negative difference indicates that the attitude was lower at Time 2 than Time 1 or that more withdrawal behaviours were engaged in at Time 2 than Time 1.

The within-subjects analysis demonstrates partial support for Hypothesis 4a. In situations of negative extra-organizational deviance, high initial liking has a negative, significant impact on trust, trustworthiness, and liking while low initial liking is only significant for trustworthiness. The moderation effect is evident, but not in the direction hypothesized. In situations of positive extra-organizational deviance, liking does not play a moderating role, except for in the case of high initial liking and liking, where it has a negative impact in a positive situation. This result is worthy of further exploration.

Hypothesis 4b was not supported in a within-subjects design. In situations of negative extra-organizational deviance, neither high nor low competence played a role in that there were significant decreases in trust, trustworthiness, and liking in both conditions. In situations of positive extra-organizational deviance, there were no significant changes to any of the variables in either condition.

Discussion of Study 2

As predicted, individuals have definitive attitudinal reactions to the extra-organizational deviance of their coworkers. Changes in attitudes and behaviours after knowledge of behaviours can be used to support the importance of labelling behaviours as deviant. The results of this study show particularly the impact of negative deviance; no significant change in perceptions of coworkers occurred as a result of positive deviance. Knowledge of negative deviance, however, significantly reduced the levels of trust, trustworthiness and liking of the coworker. Trust thus was compromised with knowledge of questionable behaviours. The present research showed that once individuals interpret their coworker’s behaviour as negatively deviant, they defined their coworker as less trustworthy.

Initial levels of liking and perceived competence had some moderating effects in a within-study design of individuals’ perceptions. It is possible that individuals hold different standards for those they like than for those who they do not like so the impact of a negative event is larger because of the violation of expectations of behaviour. In situations of negative deviance, competence did not affect the decrease in perceptions, providing further support for the supremacy of morality information over competence information, and negative information over positive, in person perception.
Study 3

The third study allowed for further exploration of real situations of extra-organizational deviance that the participants in the second study have experienced. For this study, detailed probing of the specific situations further clarified the actual experiences of extra-organizational deviance and its impact on the workplace.

Participants

Participants for the third study were solicited through Study 2. At the end of Study 2, participants were asked if they have had direct experience with extra-organizational deviance, positive or negative, in their workplace. Participants were asked to tell their story and provide contact information in order for the researcher to follow up with the participant. A total of 30 individuals responded, but only 24 had situations that dealt with extra-organizational deviance. The other accounts dealt with situations more appropriately described as organizational deviance, such as fraud. Of the 24 situations that constituted extra-organizational deviance, only 21 provided contact information. All of these participants completed Study Three (17.5% of Study Two respondents).

Procedure

Because all participants had written about their experience with extra-organizational deviance as part of the previous study, the interview questions were tailored to each participant. However, the questions all followed the same general format: the participant was asked about the nature of the extra-organizational deviance and to explain it in full detail if possible, his or her reactions to the extra-organizational deviance, how the perceptions of the coworker may have changed, and how the relationship with the coworker may have changed.

Results

Similar to that study, the transcripts of interviews were reviewed for themes, in this case for those that were addressed in the second study, as a way to triangulate the research and provide additional context for the results of Study Two. Reactions to behaviours that could be labelled as specifically negative or positive deviance were markedly different, and each will be explored.

It is important to note that on a general level, without reference specifically to either negative or positive labelling of behaviours, participants expressed an expectation that personal and professional lives do mix. Individuals are aware of their coworkers’ personal stories, and in some cases the information that coworkers share is thought to enhance the workplace. On the other hand, a desire for separation of the workplace and beyond the workplace also emerged: behaviours outside the workplace were also seen as none of the organization’s business.

Negative extra-organizational deviance. The respondents of Study 3 were more likely to discuss behaviours that were morally objectionable than they were to mention praiseworthy behaviours. Examples of extra-organizational deviance included extra-marital affairs, drug use, gambling, excessive drinking, and promiscuity. The perception of coworkers’ behaviour as negatively deviant clearly has a strong impact on attitudes and some behaviours of their workplace colleagues.

In keeping with a focus on interpersonal reactions, and consistent with the Study 2, loss of trust, respect, discomfort and a desire to avoid the deviant colleague or withdraw from the organization were all mentioned repeatedly. The loss of trust was the most prominent theme in situations of extra-organizational deviance (e.g. “I seem to have doubts about trusting him with critical projects. . . . I have a mistrust that he will do the jobs to a level and
satisfaction that I would expect and that the organization would expect”; “I wouldn’t trust her to care for a house plant of mine”). Participants also expressed misgivings about and a loss of respect for the judgements, maturity and ethics of coworkers who had engaged in negative extra-organizational deviance.

As found in Study 2, competence does play a role in the understanding the phenomenon of extra-organizational deviance, although thoughts about the exact nature of that role were paradoxical. Some participants indicated that competence would affect other perceptions negatively (e.g. “Some of it [the reaction] relates to a suspicion that his abilities to do a high level job and manage are compromised due to his extra-curricular activities. I’m more likely to form an opinion as to his overall competence and would say that his motives and his trustworthiness are lower than I would expect to award additional levels of responsibility to”), but this was not the case for many participants (e.g. “It doesn't change my willingness to give them stuff or to engage them on projects or to trust them with things because I know what they're capable of”). Ultimately, many of the respondents of Study 3 did not question the competence of their coworkers they considered to be deviant, even though they did not trust or respect them.

Discussion of Study 3

This study provided additional support for the findings of the previous studies, including and most obviously the considerable impact of negative extra-organizational deviance in the workplace. The detrimental effects of negative extra-organizational deviance on trust are reinforced through this study. This study also underscored the complexities in mixing personal and professional lives, particularly as it relates to assessments of competence and its resulting impact on other aspects of the workplace. Although there are some indications that competence might play a moderating role, there are no clear patterns which emerge with competence, which adds to some perplexities of the phenomenon of extra-organizational deviance.

One theme emerged in this study that was not necessarily possible in the other studies, which is the very real impact that extra-organizational deviance, both positive and negative, can have on the workplace itself. Because the participants in these studies were drawing on actual experiences, they were able to speak to the ways in which employees’ behaviour outside work can affect the organization as a whole. Extra-organizational deviance is not confined to the interpersonal relationship of the actor and perceiver; larger implications relating to the organization are also a part of this phenomenon.

Overall Discussion

The results of the three studies have illuminated the concept of extra-organizational deviance and its importance in organizational settings. Most importantly, this research has established extra-organizational deviance as a workplace phenomenon with real implications for interpersonal relationships at the workplace. The primary finding of this research, aside from the existence of extra-organizational deviance itself, is the substantial differences in the reactions to positive and negative extra-organizational deviance. All three studies confirmed that not only was negative extra-organizational deviance a more prominent occurrence in terms of the type of extra-organizational deviance, but it also had more pronounced impacts on the workplace than positive extra-organizational deviance. In situations of negative extra-organizational deviance, individuals judged their coworker very negatively across the board. Trust, liking and perceptions of trustworthiness decreased markedly.

The impact of positive extra-organizational deviance was muted at best in these three studies. Although it was expected that positive extra-organizational deviance would have a
positive impact on attitudes and behaviours, the results of Study Two did not support this prediction. However, anecdotal evidence from Study Three provided some support from actual workplace situations of increases in trust, liking and trustworthiness, and suggested a positive influence on the workplace environment. Based on the results of this study, it is reasonable to expect that positive extra-organizational deviance can have a significant impact in the workplace. It is important, therefore, to further develop the construct of positive extra-organizational deviance in order to more fully consider its impact.

The process of labelling proposed by Kitsuse (1962) received support through all of the studies. The first part of Kitsuse’s model involves interpreting behaviour as deviant, and Studies One and Three in particular provided support for this step. Study Two provided scenarios of exceptional behaviours, which were not defined as positive or negative, normal or deviant, and here too the respondents, in changing their attitudes and behaviours, interpreted these behaviours as deviant. This necessary step of interpretation encourages and allows for variation in what is considered deviance. The wide variety of behaviours that participants discussed in the interviews of the first and third studies suggests that the process of interpreting behaviour as deviant is something that is not difficult to do. The next step of the labelling process concerns defining people who engage in behaviours which have been interpreted as deviant as a certain kind of deviant. Judgements made as part of this step in the process constitute attitudinal reactions to deviance, and this step was supported by the findings from all three studies. In particular, in situations of negative extra-organizational deviance, individuals perceived their coworkers as less trustworthy, and they liked and trusted their coworkers less as well. The final step of the labelling process deals with according the appropriate treatment to the deviants. The findings suggested more that appropriate treatment in a workplace may be more social and psychological disrespect, distrust and disapproval while continuing to adhere to the expectations of workplace requirements of tolerating the coworker, regardless of the deviance. Thus Kitsuse’s third step also received guarded support in all three studies.

Limitations

There are some limitations in this research that need to be acknowledged. First, there is a lack of control in the research setting because, especially in Study Two, this research was conducted in settings that were extremely varied. This lack of control means that there was a restriction of range for certain variables such that these variables could not be as cleanly assessed as if they had been manipulated in a more controlled setting.

The within-subjects design of Study Two raises concerns about history (that is, outside events occurring that might have an impact on the results. However, the possible negative effects of this issue were attenuated through the specific instructions participants received to focus on the vignette and picture their coworker in that particular situation. The time lapse of one week allowed for separation of the measures, but was not too lengthy a time as to allow for significant history effects.

A further limitation is the use of vignettes in Study Two. The vignettes represent artificial situations to which it may be difficult for participants to react. The third study addressed such concerns about artificiality by focusing on situations drawn from real life experiences.

Theoretical and Practical Implications

The research makes several important contributions, the first being that it explores this workplace phenomenon and establishes it as an area worthy of study. While the topic of extra-organizational deviance is becoming more prevalent in the popular press, the field of
organizational behaviour has yet to explore it. Another major contribution is the application of labelling theory in an organizational setting. Ashforth and Humphrey (1997) noted the need to pursue organizational research that examines the dynamics of labelling when dealing with novel or ambiguous social objects. In studying extra-organizational deviance and the processes around its perception, the current research answers Ashforth and Humphrey’s call.

The results of this research present an interesting challenge for organizations. In situations of negative extra-organizational deviance, the resulting negative perceptions could drive a wedge in workplace relationships, which could be a difficult thing to manage. While it may be appropriate to suggest that employees refrain from discussing their activities outside of work, it is not realistic because it is apparent that knowledge of extra-organizational deviance is going to surface at the workplace. Furthermore, a blanket ban on discussing activities outside of work could have a number of other negative consequences as well, especially since, as expressed in the third study, many people want to know about what goes on in their coworkers’ lives outside of work, and workplace morale may actually benefit. What is necessary, then, particularly in cases of negative extra-organizational deviance, is an understanding of the consequences not only from a potentially legal standpoint but also with an eye to preventing (or repairing) harm to the interpersonal relationships in the workplace. For example, managers may need to encourage the rebuilding of trust if it is negatively affected. Another practical implication of this research is that individuals need to be aware that coworkers’ knowledge of what they do outside of work can result in negative evaluations, particularly as it relates to trust, trustworthiness and liking. What happens outside of work does not stay outside of work.

**References**


ABSTRACT

The term employment relationship is widespread in current literature dealing with organizational economics, organizational sociology, organizational psychology... Frequently, it is used as a common expression without defining it while at the same time treating it as a scientific concept. First, a definition of the perimeter of the construct will be proposed. Then a review of the main theories put forward by academic sciences dealing with the employment relationship will be carried out. The objective is to find the paradigms that structure the construct. Then the author will draw the conclusion that it is necessary to delve further into the cognitive processes present in the employment relationship.

Keywords: employment relationships, paradigms
1. The problems involved in the definition of the concept:

The term employment relationship is widespread in current literature dealing with organizational economics, organizational sociology, and organizational psychology... Frequently, it is used as a common expression without defining it while at the same time treating it as a scientific concept.

The aim of this article is to review the available literature, as part of a thesis on the employment relationship, in order to locate the paradigms that structure the corpus and to identify with more precision the means to achieve a more thorough analysis.

In 1993, Taylor and Giannantonio published recommendations in order to guide future research on the employment relationship. They advocated the constitution of a common body of knowledge on the three employment status activities – formation, adaptation and termination – from three perspectives – individual, organizational and interactionnist (Taylor & Giannantonio, 1993).

So far, from what we know, only one book has attempted to draw up a synthesis of the various approaches to the employment relationship. It does not give a consensual definition of the construct and prefers to define it through questions: “What then is the true essence of the employment relationship? Is it simply an economic exchange or relationship that begins with economic origins but soon broadens in scope to an enduring social relationship? Is it a legally enforceable contract between two parties, albeit one involving parties who participate as “whole persons” rather than as group of knowledge and skills working for a group of pay and benefits? Is it a relationship which by its very nature is fraught with inherent conflicts of interest where employees need protection from powerful employers?” (Coyle-Chapiro et al., 2004).

In order to delineate a perimeter for the concept, the book restricts its main field of investigation to the issue raised by the concept of exchange. This issue is mainly tackled through the social exchange theory, with complementary contributions from several academic disciplines. While acknowledging the benefit brought by this analysis, we feel that this choice can be debated. Hence the fact that this article will also mention other theoretical approaches which have not been taken into account in this book.

First of all, and in order to refine the definition of the construct, we have decided to draw from a definition that Kelly gives regarding Industrial Relations (Kelly, Coyle-Chapiro, J.A.M., et al., 2004). It also seems suited for delineating scientifically the concept of employment relationship. This relationship is thus a construct that can be observed in three fields of study: Organizational Behaviour, Human Resources Management and Industrial Relations, comprising contributions from across the social sciences, including economics, sociology, law, politics and psychology.

Furthermore, the review of the literature dealing with the employment relationship shows that the concept can be studied at different levels of the relation: for example Employee-Employer, Employer-Employee, Employee-the group of Employees, and from the two sides. The parties concerned can be defined differently according to the aims of the analysis. The employee can be studied as an individual, as a group, or through the representatives of his category, [most of the time the trade unions]. The employer can be studied or left aside. When he is studied, it is either as the employer or as an organisation [ from a strategic perspective], or individualised as the immediate leader.

The combination of the various levels of analysis and of the parties concerned offers five cases substantiated by five different theoretical perspectives.
Chart n°1: “The Employment Relationship in the scientific literature”

<table>
<thead>
<tr>
<th>Fields</th>
<th>(OB) organizational behavior, (HRM) human resource management, (IR) industrial relations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Disciplines</td>
<td>Economics, Sociology, Law, Politics and Psychology</td>
</tr>
<tr>
<td>Level of analysis</td>
<td>Employee-Employer relationship</td>
</tr>
<tr>
<td>Parties involved</td>
<td>Individual employee and organizational employer</td>
</tr>
<tr>
<td>Main theoretical</td>
<td>Social exchange, Transactional &amp; relational contracts, Needs</td>
</tr>
<tr>
<td>perspectives</td>
<td></td>
</tr>
</tbody>
</table>

2. The concept from the scientific disciplines standpoint

The main difficulty in attempting a definition of the construct comes from the fact that it is the object of various ambitions. Thus in scientific literature, we can find the following definitions:

- The ambition to apply academic disciplines to the study of a real fact.
- An all-embracing desire discernible in the way the employment relationship is regarded as a whole.
- The desire to distinguish constructs that are similar and that even overlap at times.
- A constructivist approach that lets the parties involved in the employment relationship analyse their own personal experience.

Due to a lack of means, in this article we will restrict the analysis of the concept to the approach by academic disciplines. We will then attempt to identify the main paradigms that can be observed.

2.1 From an Economic Sciences standpoint:

It seems that, for quite a long time, the issue of employment has been the “preserve” of economists. As a matter of fact, as Atchison points out, the employment relationship underwent a turnaround at the beginning of the industrial revolution (Atchison, 1991). It is also known that Marx played a decisive role in the formal definition of the concept of work by turning it into an abstract entity. In his book, written in 1859, he gives a definition which demonstrates clearly the desire at that period in time to get rid of the idiosyncratic dimension of the relationship: “The determination of exchange-value by labour-time, moreover, presupposes that the same amount of labour is materialised in a particular commodity, say a ton of iron, irrespective of whether it is the work of A or of B, that is to say, different individuals expend equal amounts of labour-time to produce use-values which are qualitatively and quantitatively equal.” (Marx, 1977).

Thereafter, several authors have contributed substantially to the analysis of the employment relationship from an economic sciences standpoint. Thus, the analysis performed by Marshall
and his successors of the neoclassical school tends to consider employment from the narrow viewpoint of the labour market.

“This theory stresses that individuals and firms make, respectively, utility-maximizing and profit-maximizing choices based on market-determined prices that they cannot influence. In perfectly competitive environment, the choices they make lead to optimal outcomes for individuals, firms and society as a whole.” (Block et al., Coyle-Chapiro, J.A.M., et al., 2004).

From a different perspective, but with a similar argumentation, the analysis developed by Becker tends to consider human investment on societal or organisational grounds and to validate it economically (Becker, 1964). His concept of “human capital” puts man at the core of economic and social progress (Chamak&Fromage, 2006). In addition, an author such as Schumpeter, with his concept of “Creative destruction”, does not deal directly with the employment relationship but justifies the operations of “downsizing” whose goal would be to increase the performance of the organisation.

Then, with the transaction-cost theory, economists have now analyzed the inner workings of the organization and as a result, company CEOs now have access to economic tools which allow them to choose between employment or outsourcing (Williamson et al., 1975). We will develop this point later on in the section that deals with the legal approach.

2.2 The concept from a sociological standpoint:

The employment relationship has long been studied by sociologists too. The most prolific Anglo-Saxon school is the one that evolved from the Social Exchange Theory. In their summary chapter Coyle-Shapiro and Conway refer to two successive groups of author (Coyle-Chapiro&Conway, Coyle-Chapiro, J.A.M., et al., 2004). The older is that of the very first sociologists Malinowski and Mauss known for their analysis of the “gift” as a “total social fact” (Mauss, 1950). In this connection, Pihel remarks: “The originality of the gift-exchange is to consider the situations in a perspective which is culturally determined, embedded, total and tangled up by proposing an entry into the relationship through the specificities of the environment and its traditions.” (Pihel, 2008).

This dimension tends to disappear in the more recent works of the social exchange theory in favour of concepts such as cost-benefit as the following quotation shows: “Social behavior is an exchange of goods, material goods but also non-material ones, such as the symbols of approval or prestige. Persons that give much to others try to get much from them, and persons that get much from others are under pressure to give much to them. This process of influence tends to work out at equilibrium to a balance in the exchanges.” (Homans, 1958).

Another sociological approach to the employment relationship focuses on the socialization of the members of the organization. This socialization is considered as the process of inheriting norms, customs and ideologies. One of the oldest theories of socialization is that of Max Weber in his analysis of the spirit of capitalism (Weber, 1905).

2.3 The concept from a legal standpoint:

As Roehling points out in the article about the relations between law and the employment relationship theory: “the richness of legal theories of contract is not adequately reflected in the employment relationship literature” (Roehling, Coyle-Chapiro, J.A.M., et al., 2004). It is regrettable that management sciences pay so little attention to this discipline that established itself, to quite an extent, through dealing with disputes and in particular those dependent on the execution of contracts.
The main benefit of this academic approach is first, to remind us that the contract has not always been the dominant pattern in the employment relationship. Historically, it has been preceded by the "master-servant relationship" whose working relations were determined by the status. The employment relationship is certainly a cultural model, not a natural one, which entails that it can still evolve.

Today, this discipline mainly opposes two theoretical conceptions of the contract in the Anglo-Saxon world. The first one, so-called classical, considers the contract as a bilateral act between two parties supposedly free and having the same ability. This conception is based on a "market-individualist ideology" analysed by several authors (Campbell, 2004). Incidentally, one may reasonably think that this form of contract so-called "at will", which is still widespread in the USA, was born under the influence of this school of thought.

The second one originates in the theory of Macneil about the relational contract and its continuum of transactional-relational exchange behaviour. The assumption is that contractual relations only based on transaction are very rare. Most of the contracts include a relational dimension. Macneil shows that the social environment must be taken into account in most contractual situations (Macneil, 1974).

Finally, it seems important to mention the interplay between the economic conception of the transaction-cost theory and a neoclassical conception of the Anglo-Saxon law. Coase makes the assumption that exchanges must aim at eliminating the costs of the transaction, and subsequently the costs of contract signing (Coase, 1987). It then boils down to having the practice of law subordinated to an economic logic. The employment relationship therefore has the same importance as its alternative, that is to say it is subject to the laws of the free market economy. The objectification of the exchange is the axiom, even though this theory takes into account the idiosyncratic character of certain employment situations (Williamson et al., 1975).

2.4 The concept from a Political Sciences standpoint.

Addressing the political dimension of the employment relationship implies considering the organisation as a sub-part of society. This approach goes contrary to the unified vision often developed by the managerial trend of thought or by the paternalistic style of management. Historically, they have regarded the organisation either as a team having the same goal, or as a family. But, as Kelly remarks: "The employment relationship is partly cooperative – the parties have a shared interest in the success of the employing business – but also entails an unavoidable, structural conflict of interest between worker and employer, which cannot be designed out of the system by better management." (Kelly, Coyle-Chapiro, J.A.M., et al., 2004). Political science considers that the economic goal is dependent on the political issues. This is embodied in the concept of pluralism (Fox, 1966) in a democratic system or of class conflict in the Marxist model.

As Lewis points out, this political analysis of the employment relationship must take into account the rise of individualism in society (Lewis et al., 2003). This unprecedented social phenomenon in the Western world has partially put into question collectivism. The political vision applied by organizations mainly to industrial relations is confronted with the necessity of finding new landmarks.
2.5 The concept from Psychology standpoint:

Psychology has probably initiated the greatest number of recent constructs dealing with the employment relationship. For that matter, the difficulty will be, later on, to decide which ones need to be maintained according to a restrictive and operative definition of the concept of employment relationship.

As a matter of fact, it is thus difficult to consider presenting a thorough summary of the contributions of this discipline. However, one can highlight some key elements.

First, one must point out that the North American school, which is the initiator of most of the research, has never totally accepted the principle of the irrational dimension of the living being. The definition of the main constructs is strongly influenced by a behaviourist and positivist conception, even when it comes to the theory of needs, for example (Maslow, 1943).

Apart from this behaviourist approach, the psychological dimensions which underlie the concepts of management seem to us to rely mainly on a cognitive conception of psychological phenomena. The latter is apparent in two theories underlying a number of constructs.

The first one is the bounded rationality. This approach considers that man is not irrational, but he does not have the capacity to be totally rational. Thus Simon points out that:

“This man is assumed to have knowledge of the relevant aspects of his environment which, if not absolutely complete, is at least impressively clear and voluminous. He is assumed also to have a well-organized and stable system of preferences, and a skill in computation that enables him to calculate, for the alternative courses of action that are available to him, which of these will permit him to reach the highest attainable point on his preference scale.” (Simon, 1955). Applied to the employment relationship, it implies that this relationship can never be totally rational from the employer’s viewpoint as well as from the employee’s. Therefore, we need to analyze the variables in the rationality of each actor in the context.

The second theory is the schema theory in which the human behavior is studied through the cognitive processes (Piaget, 1976). This theory specifies that the human being approaches reality through mental structures which are of great use to him for perception as well as for memorization and in managing situations. Studying the employment relationship implies understanding those cognitive structures.

3. The Main Paradigms of the Employment Relationship.

Basing our approach on the analysis of the contributions of academic sciences to the understanding of the employment relationship, we are going to try to identify the main paradigms that support the theoretical models used. We have selected four main paradigms: the exchange, the contract, power and cognition. Below, in more detail, we will present the theories that can be linked to each of these paradigms, then we will see the extent to which the paradigm has spread through the existing constructs of management theories, and finally, how useful can the paradigm be for understanding the employment relationship.

3.1 The paradigm of exchange:

The employment relationship, by definition, logically implies that the exchange is the dominant paradigm present in the background of much research work. However, one could object that the dominant theoretical models of the social exchange theory and of the rational choice theory tend to remove the social dimension of this exchange [that is to be found in the Gift theory, for example] in favor of the relationship cost/profit.

This paradigm is present in numerous constructs such as the Perceived Organizational...
Support, the Leader-Member Exchange, the Organizational Citizenship Behavior, the Organizational Commitment, the Organizational Justice…

It is especially useful for comprehending the “economy” of the employment relationship, the expected performance and the continuation of this relationship.

3.2 The paradigm of the contract:

Because most of the research work concerning the employment relationship originates in America, one can understand that the second most frequent paradigm is that of the contract. [It is to be reminded that some jurists and sociologists have shown that the contract is not the only form of exchange]. We have also decided to include in this paradigm the transaction-cost theory. It is originally an economic theory, but whose core reasoning seems to us to be the contract and not the cost. Indeed, the contract, be it commercial or for employment, thanks to the degree of autonomy which it provides in its Anglo-Saxon sense, which enables one to control the costs. Whether it is in opposition or in concordance with the transaction-cost theory - this needs to be discussed – the relational contract theory tends to take into account the societal context.

Although it is based on the exchange paradigm, the Psychological Contract is certainly the construct that has best integrated the contract paradigm. It is particularly true with the distinction between different contract forms, but also with complementary concepts such as obligation, cancellation and violation. This paradigm is also present in Collective Bargaining.

It turns out that it is very helpful, for example to locate the mutual obligations in the employment relationship as well as the indicators which will help to assess whether the contract is respected or not.

3.3 The Power Paradigm

This paradigm is naturally present in the relationship between the organization and the group of employees and in the mechanisms of collective bargaining it generates [pluralism theory]. It is also present in the problems of socialization, when the individual has to make himself accepted by the working team or when he has to conform to the norms of the organization. The theoretical conceptions in this field go from a very passive vision of the individual within socialization theories to visions taking into account more interactivity. Finally, this paradigm is to be found in the relationship between the organization and the individual, when a strategy has to be defined [i.e. downsizing theory], or when his needs have to be taken into account [needs theories].

This paradigm is present, to a much lesser extent, in constructs like the Collective Bargaining, the Organizational Socialization or the Employee-Organisation Relationship.

Among other things, it can be used for studying the relationship from the perspective of the conflict [negative or positive], of collective bargaining and of the delegation.
3.4 The Paradigm of cognitive processes:

This paradigm considers the employment relationship from the perspective of the mechanisms that bring about the meaning of the situation [schema theory] as well as the rational model for the various parties involved [bounded rationality theory]. In an Anglo-Saxon perspective, this debatable issue is then mostly dealt with from the standpoint of cognition.

This paradigm is less present than the first two. It is to be found in the Psychological Contract, the Employee-Organization Relationship, the Emotion in the workplace.

It can be used for explaining the behavior and the mechanisms of decision making in the employment relationship. It is also used for comprehending the perceptual biases.

Chart n°2: “The main paradigms and theories of the employment relationship”

<table>
<thead>
<tr>
<th>Paradigm of the Exchange</th>
<th>Paradigm of the Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rational choice theory</strong></td>
<td><strong>Transaction-cost theory</strong></td>
</tr>
<tr>
<td>“Most investments in human capital—such as formal education, on-the-job training, or migration—raise observed earnings at older ages.” (Becker, 1964)</td>
<td>“The Governance of Contractual Relations. Alternative modes of governance (markets, hybrids, firms, bureaus) differ in discrete structural ways […] the action resides in the microanalytics” (Williamson, 1979)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social Exchange theory</th>
<th>Relational contract theory</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Social behavior is an exchange of goods, material goods but also non-material ones, such as the symbols of approval or prestige.” (Blau, 1964)</td>
<td>“Few economic exchanges occur entirely in the discrete transactional pattern. “ “The benefits and burdens of the relation are to be shared rather than divided and allocated (a law partnership).” (Macneil, 1974)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Paradigm of the Power</th>
<th>Paradigm of the Cognition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Socialization theories</strong></td>
<td><strong>Bonded rationality Theory</strong></td>
</tr>
<tr>
<td>“The Puritan wanted to work in calling; we are forced to do so. For when asceticism was carried out of monastic cells into everyday life, and began to dominate worldly morality, it did its part in building the tremendous cosmos of the modern economic order.” (Weber, 1905)</td>
<td>“The human being striving for rationality and restricted within the limits of his knowledge has developed some working procedures that partially overcome these difficulties. These procedures consist in assuming that he can isolate from the rest of the world a closed system containing a limited number of variables and a limited range of consequences.”(Simon, 1997)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pluralism theory</th>
<th><strong>Personal Construct Theory (schema)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>“The organization is a miniature democratic state composed of sectional groups with divergent interests over which government tries to maintain some kind of dynamic equilibrium”(Fox, 1966)</td>
<td>“Man looks at his world through transparent patterns or templates which he creates and then attempts to fit over the realities or which the world is composed” (Kelly, 1963)</td>
</tr>
</tbody>
</table>
4. Conclusion and suggestions for further research

This paper does not give a full account of the issue. We can reasonably think that other paradigms structure the construct of the employment relationship. It could be effectively supplemented through an analysis of the various constructs present in the fields of study of Human Resources Management, Organizational Behavior and Industrial Relations.

Yet, it helps to show that two paradigms are less studied while analyzing the employment relationship. That is to say, the paradigms of Power and of Cognition could be explored in more depth. In particular, it seems to us that the analysis of the employment relationship based on the cognitive processes has not been sufficiently developed. In this period of instability and globalization of organizations, the issue of the meaning of work and employment could enrich the analyses of the exchange.

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IN SEARCH OF LOST RECIPROCITY:
SENSE AND NONSENSE WITHIN AND BETWEEN VIRTUAL TEAMS

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ABSTRACT

This conceptual article illustrates how technology-aid interactions influence sense-making processes within- and between teams. I develop a multilevel model to describe how group and leadership variables affect sense-making processes of virtual teams. While existing research on team processes relies on the assumption of face-to-face reciprocity, I illuminate how electronic dependence put at odds key group and inter-group processes.

Keywords: employment relationships, socialization, leadership, virtual teams, sense-making.
ABSTRACT
The aim of this research is to investigate the effects that the HRM process may have on employee creativity through the organizational climate. Interestingly, there appear to be only a limited amount of studies on HRM and creativity or innovation. I follow Bowen & Ostroff (2004) and take a process perspective on HRM and argue that HRM sends signals to employees about desired and appropriate responses. I consider the organizational climate concept to be a link between the HRM and creativity literatures and I suggest a mediating effect of the organizational climate between HRM and employee creativity. On the basis of the organizational climate literature I identify specific creativity enhancing HRM practices. These HRM practices are a) provision of training and development opportunities and b) focus on team based work design. I develop propositions with regards to how the HRM process of these practices impacts the organizational climate for employee creativity, as well as how the organizational climate for employee creativity impacts employee creativity through the ability, motivation and opportunity of the employee. Through this conceptual paper I suggest that combining HRM with creativity is useful for advancing our understanding of employee level effects of HRM.

Key words: Human resource management process, Organizational climate, Employee creativity, Innovation
ABSTRACT
Whereas organizational commitment, particularly its affective dimension, is generally considered a positive force for both organizations and individuals, a small number of authors have suggested that there are cases in which very high levels of commitment can have negative effects. The present study used the conservation of resources theory as a starting point for investigating the potentially negative impact of organizational commitment on well-being. Our analyses of samples of “troubled managers” and employers’ representatives who have had to manage troubled managers showed that strong organizational commitment (all dimensions) tends to aggravate difficulties and therefore magnify ill-being.

Keywords: Organizational commitment, commitment, organizational overcommitment, ill-being, burnout

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Given extensive media coverage when they occur in the workplace, work-related suicides put the spotlight on organizational commitment: why did the person not leave an unbearable situation rather than take his/her own life? In turn, this question raises the issue of the potential negative effects of very strong organizational commitment on the part of employees.

Despite this question mark, the commitment literature seems to suggest that organizational commitment is always a good thing, from the perspective of both employers and employees alike. For organizations, it is seen to discourage absenteeism (Burton, Lee & Holtom, 2002), promote organizational citizenship (Lambert, Hoggan & Griffin, 2008), and favor high performance at work (Jamarillon, Mulki & Marshall, 2005). For individuals, commitment is generally considered to have a positive effect on well-being and a negative effect on stress (Bentein, Stinglhamberger & Vandenberghe, 2000; Meyer, Stanley, Herscovitch & Topolnytsky, 2002; Maltin & Meyer, 2009).

Nevertheless, the idea that an employee’s level of commitment can be excessively strong is not new, although it has mainly been expressed in relation to work. General commitment is a concept that aggregates organizational commitment, work ethics, career commitment, professional commitment and job involvement (Morrow, 1993). According to Brickman, “commitment involves three elements: a positive element, a negative element and a bond between the two” (1987, p.7), thus overcommitment could be harmful. The concepts of overcommitment (Kinman & Jones 2008; Van Vegchel et al. 2005) and workaholism (Schaufeli, Bakker, Van der Heijden & Prins, 2009) suggest that job involvement and commitment to work can have negative effects. Although the potentially damaging effect of an excessively strong link with one’s organization has been recognized (Mathieu & Zajac, 2001), most research has focused on its positive effects.

Are there situations in which it is possible to be too committed to one’s organization? If so, what are the consequences? The purpose of the present study was to investigate the possibility that organizational commitment can have negative implications for employee well-being. To do this we investigated the cases of a number of managers who are experiencing major difficulties in carrying out their role at work. We use the term “troubled manager” to refer to these managers. We define a troubled manager as a manager who is experiencing major difficulties in his/her personal life and/or in his/her professional life work as a result of his/her work situation. By definition, a troubled manager shows a high level of ill-being.

We begin by reviewing the literature on the link between commitment, stress and well-being. We view organizational commitment in terms of the Conservation of Resources Theory (Hobfoll, 1988), as this approach provides a clearer understanding of the link between organizational commitment and ill-being. We then analyze several cases of troubled managers and show that strong organizational commitment is more likely to magnify stress factors than attenuate them. We conclude by discussing our results in the light of the relevant literature.

ORGANIZATIONAL COMMITMENT, STRESS AND WELL-BEING

Organizational commitment: definition & interest
Organizational commitment, which has been defined as “a bond or linking of the individual to the organization” (Mathieu & Zajac, 1990, p.171), can involve a psychological attachment to an organization (O'Reilly & Chatman 1986), calculated reasoning (Becker, 1960), or the internalization of norms (Wiener 1982). Consequently, the concept of organizational
commitment has been modeled in a number of different ways (Porter, Steers, Mowday & Boulian, 1974; O'Reilly & Chatman 1986; Wiener, 1982). Nevertheless, a consensus has been reached around Meyer and Allen’s (1991) three-dimensional concept of organizational commitment, in which each of the three dimensions is considered to have different roots and consequences (Meyer & Allen 1991; Meyer & Herscovitch 2001):

- **Affective organizational commitment** reflects an individual’s desire to remain a member of an organization due to his/her identification with the organization, investment in work and emotional attachment to the organization. This dimension is close to the concept of organizational commitment outlined by Porter et al. (1974): “organizational commitment is generally characterized by three factors: (a) a strong belief in and acceptance of the organization’s goals and values, (b) a willingness to exert considerable efforts on behalf of the organization; (c) a definite desire to maintain organizational membership” (1974, p. 604).

- **Normative organizational commitment** occurs when an individual feels a moral obligation to remain a member of his/her organization.

- **Continuance organizational commitment** reflects an individual’s need to remain a member of the organization due to his/her perception of the costs associated with leaving it.

Definitions of affective organizational commitment (O’Reilly & Chatman, 1986; Meyer & Allen, 1991; Porter et al., 1974) tend to be similar to those of identification, which has sometimes led to confusion between these two concepts. Identification is the process through which individuals come to see themselves as similar to other members of the groups to which they belong and different from individuals who are not members of these groups. Measurement scales sometimes confound identification with organizational commitment or consider it a component of organizational commitment; however, it is more pertinent to consider identification as a determinant of commitment (Herrbach 2006, Herrbach, Mignonac and Sire, 2006; Harris and Cameron, 2005).

In the model proposed by Meyer and Allen (1991), the various components of commitment can co-exist at different intensities within the same individual; however, studies analyzing the commitment profiles of individuals are rare (Wasti 2005). In addition, most research has focused on the affective dimension of commitment (Bentein, Stinglhamberger & Vandenberghe, 2000, Meyer Stanley, Herscovitch & Topolnytsky, 2002), as it is this component that produces the most beneficial effects for the organization and for the individual (Bentein et al., 2000). In addition to reducing employees’ withdrawal behaviors (O’Reilley & Chatman, 1986), such as intention to leave the organization (Mathieu & Zajac, 1990) and absenteeism (Meyer et al., 2002), it also increases extra-role performance (performance beyond the expectations for the person concerned) (Meyer et al, 2002) and citizenship behaviors (Wasti, 2005).

Because these relationships between commitment and behaviors have an impact on organizations, they have been the focus of a great number of studies. Recently, researchers have also begun looking at the links between commitment and employees’ well-being and health at work (Meyer et al., 2002; Maltin & Meyer, 2009).
Well-being and ill-being: definitions and relationships with organizational commitment

Before reviewing the literature on the links between commitment and ill-being/well-being, it is necessary to look more closely at these two concepts.

In the literature on social-psychological risks, ill-being at work has generally been examined in terms of stress and its causes (Karasek, 1979). Because it leads to a reduction in well-being, “stress is likely to alter both mental and physical health” (Roger & Tremblay, 1999, p.5). The physical effects of ill-being are manifested in the psychosomatic disorders identified by most studies (Roques, 1999), such as headaches, insomnia, nervousness, fatigue, pains in the chest and allergies. The main psychological manifestations of ill-being are psychological fatigue, which can lead to burnout (Van Rijswijk, Bekker, Rutte & Croon, 2004), depression and anxiety (Tucker, Sinclair & Thomas, 2005), and feelings of alienation, futility and boredom (Beehr & Newman; 1978).

Well-being at work is often considered to be the opposite of ill-being and associated with mental health (Danna & Griffin, 1999), absence of psychosomatic disorders and absence of depression (Warr, 1990, 1999). However, well-being includes an extra dimension, that of a positive relationship with work and life. As Baudelot and Gollac pointed out: “Suffering is not exactly the opposite of happiness” (2001, p.3). Hence, well-being at work can be defined as an “affective and purposive psychological state that people experience while they are at work” (Robertson & Flint-Taylor, 2009, p. 164). Consequently, there are specific indicators of well-being that are not exclusively the inverse of ill-being, such as satisfaction in one’s personal life (Danna & Griffin, 1999), satisfaction at work (Van Rijswijk, Bekker, Rutte & Croon, 2004; Siu, Spector, Cooper & Lu, 2005), psychological well-being (Siu, Spector, Cooper & Lu, 2005) and enthusiasm (Warr, 1990, 1999).

The literature generally associates organizational commitment with low levels of ill-being and high levels of well-being. In fact, commitment seems to be indissociable from the “pleasure of working” (Thévenet, 2007), which thus appears to be an essential component of well-being at work. This idea is supported by the correlations reported by quantitative empirical studies (Meyer et al., 2002). Thus, “organizational commitment” is generally associated with greater well-being (Bentein et al., 2000; Siu, 2002) and less tension and symptoms of ill-being, for example psychosomatic symptoms (Richardson, Burke & Martinussen, 2006), complaints about physical health (Wittig-Berman & Lang, 1990), stress and tensions linked to work (Hunter & Thatcher, 2007; Irving & Coleman, 2003), burnout (Wright & Hobfoll, 2004; Lee & Henderson, 1996), and overall stress (Leong, Furnham & Cooper, 1996). Given this abundant and generally convergent literature, it is tempting to conclude that organizational commitment has a positive impact in all situations. On the other hand, this research has mostly focused on the affective dimension of organizational commitment (Maltin & Meyer, 2009; Meyer et al., 2002). In a study of organizational commitment profiles, Wasti (2005) found that employees who show mostly affective and normative commitment or mostly affective commitment are less likely to feel stress at work (1.56 and 1.58) than employees who show mostly continuance commitment (1.88) or who are weakly committed (1.85). This can largely be attributed to the fact that affective organizational commitment provides a buffer between stressful situations and tension and ill-being (Begley & Czajka, 1993, Siu & Cooper, 1998).

Despite the seemingly overwhelming evidence for the positive effects of commitment, some researchers are beginning to suggest that excessively high levels of employee commitment can have negative effects on both well-being and organizational performance. As yet, this hypothesis has not been tested empirically.
The hypothesis that organizational commitment can be too strong

Excessive levels of commitment to work are increasingly considered potentially harmful for individuals. The concept of overcommitment (Siegrist, 2001, p 55) is defined as “a set of attitudes, behaviors and emotions that reflect excessive striving in combination with a strong desire of being approved and esteemed”. Thus, overcommitment threatens employees’ physical and psychological well-being (Kinman & Jones, 2008; Van Vegchel et al., 2005). Workaholism is an irresistible inner need to work compulsively (Schaufeli, Bakker, Van der Heijden & Prins, 2009) that is negatively linked to well-being. Houfert and Valerand (2003) explored the positive and negative sides of “Passion at Work”. From a more general perspective, Vallerand (2008) made a conceptual distinction between harmonious passion and obsessive passion. Similarly, Halbesleben, Harvey and Bolino (2009) found that excessive work engagement can have negative implications for employees in terms of work interfering with family life.

Our hypothesis was that there is a similar dichotomy between positive and negative organizational commitment. The literature contains papers that describe the potentially damaging effects of an excessively strong link with the organization. For example, Mathieu and Zajac (1990) argue that there are certain cases in which organizational commitment can produce negative effects on individuals’ health at work. Without testing their propositions, they suggested that a situation such as a conflict between work and private life, a strike or a workplace accident reported in the media can be a greater source of difficulties for strongly committed employees than it is for employees with weaker organizational commitment. Mathieu and Zajac believe that strongly committed employees are likely to work a lot of hours, thereby aggravating the conflict between work and personal life and leading to feelings of ill-being. Such employees may identify so strongly with their organization that bad publicity for their company is seen as a personal attack. Similarly, Thévenet (2007) suggests that excessive commitment can lead to a failure to maintain a sense of perspective with respect to work situations and the organization, and this may be damaging for both the individual and the organization.

Although there are many reasons for believing that excessive organizational commitment can have negative consequences, this intuition has rarely been corroborated by empirical studies. A very small number of studies have produced results supporting this proposition, including Wasti (2005), who reported that stress levels among the most strongly committed employees (1.81) were almost as high as those among non-committed employees (1.85), and Irving and Coleman (2003) who showed that organizational commitment can sometimes aggravate ill-being in cases of ambiguity of roles.

The objective of the present article was to describe a preliminary evaluation of the hypothesis that very high commitment to work can be a vector of ill-being. In order to do this, we situated the hypothesis in a theoretical framework that identifies the potential links between commitment and ill-being.

Organizational commitment: an energy resource

Quantitative studies reporting a link between organizational commitment and certain dimensions of well-being and/or ill-being at work generally mobilize organizational commitment as a moderator of the relationship between stressors (job insecurity, role conflicts, work overload, time pressures, etc.) and stress or well-being (Begley & Czajka,

However, other models provide a better understanding of how work influences ill-being or well-being. Two of these approaches dominate the literature (Neveu, 2007):

- The pathogenic approach, which is dominated by Karasek’s model (1979), is centered round working conditions that individuals may face [lack of autonomy or control over the demands of the job (Karasek, 1979), imbalance between the effort put in and the rewards received (Siegrist, 1996), or imbalance between demands and resources (Mackay & Cooper, 1987)];

- The salutogenic approach is centered round the resources available for coping with stressful situations and difficulties. This approach is dominated by the conservation of resources theory (Hobfoll, 1988, 1989, 1998), which provides a framework for investigating the relationship between organizational commitment and health at work.

An advantage of the conservation of resources theory (Hobfoll, 1988, 1989) is that it provides a better explanation for why one individual may be overcome by exhaustion when dealing with a problem, whereas another individual successfully copes with same problem. Consequently, we adopted this theory as a framework for examining the links between commitment and well-being/ill-being. Under this approach, ill-being occurs when an individual’s resources are threatened (job insecurity, ambiguity of role), lost (loss of job) or when the expected return on investment is not forthcoming (no promotion after hard work). “Resources are defined as those objects, personal characteristics, conditions or energies that are valued by the individual or that serve as a means for attainment of these objects, personal characteristics, conditions or energies” (Hobfoll, 1989, p.516). The conservation of resources theory identifies four types of resources: (a) material (offices) or symbolic (socioeconomic status) objects; (b) conditions (job security, family status, etc.); (c) personal characteristics (personality traits, skills, self-esteem, recognition, etc.); and (d) energy resources that contribute to the acquisition of new resources (time, money, knowledge, etc.). This final category has the ability to change into and supply other resources that are valued by the individual (social skills, power, confidence, etc.).

Organizational commitment can be seen as an energy resource in Hobfoll’s (1988) sense of the word, as it is an asset that conditions the pleasure of working and that helps individuals cope with the demands of work situations. In addition, commitment can produce new resources. For example, the affective dimension of organizational commitment can procure social resources for the individual (Wright & Hobfoll, 2004).

Faced with certain difficulties, employees can draw on their own resources or on the resources made available by the organization. Individuals who do not have access to the necessary resources, or who see the resources they value put under threat or diminished, may suffer from stress or even exhaustion.

Hence, our analysis of the link between commitment and well-being or ill-being at work was conducted from the point of view of commitment as an energy resource.
TROUBLED MANAGERS: HIGHLY COMMITTED AND SUFFERING FROM ILL-BEING

The objective of our fieldwork was to investigate the situations of troubled managers. We define a troubled manager as a manager who encounters major difficulties in carrying out his/her role, either from his or her own point of view or from the point of view of his/her employer. Troubled managers show high levels of ill-being. Our study was carried out in 2009 in two stages: an analysis of the situations of 12 troubled managers from their own perspectives and an analysis of the situations of 15 different troubled managers from their employer’s perspective.

The situations of troubled managers provide an appropriate field for analyzing the link between organizational commitment and health at work, as troubled managers are experiencing high levels of distress. Furthermore, managers are, a priori, characterized by high commitment.

- Troubled managers are managers who are overwhelmed by the difficulties posed by their day-to-day work, such as managerial, technical, relational and result-attainment problems. Although dealing with problems can be considered normal for a manager, when these problems become overwhelming a manager will suffer from excess stress and ill-being.

- Troubled managers are managers for whom high levels of commitment can be assumed. Although commitment is an important dimension for all employees within organizations, managers are “trusted employees” (Bouffartigues, 2001) who have a special link with their organization. This link presupposes a commitment to work, adhesion to the organization’s values and loyalty to the organization’s goals. In exchange, managers are trusted with a certain degree of autonomy. Moreover, managers have to show high commitment in order to obtain career rewards (Singh & Winnicombe, 2001).

Procedure and sample

After conducting 15 semi-directive interviews with representatives of employers (HRDs or executives) about the situations of troubled managers they had managed, we carried out 12 interviews with troubled managers. The interviewees were contacted via the researchers’ personal networks, but the researchers did not know any of the interviewees personally. The troubled managers were people who felt they were in, or had been in, difficulty.

The semi-directive interviews were carried out in line with two interview guides, one for the employers’ representatives and one for the troubled managers.

- The employers’ representatives were asked to describe the development of two cases of troubled managers they had had to manage, and to elaborate on these situations.

- The troubled managers were asked to describe their career, and then to focus on their current position, their expectations for that position and the obligations it involved. They were then asked to talk about the difficulties they had had to face, the way these difficulties arose, how they had reacted to them and the reactions of the people around them. They were also asked to explain the consequences of these difficulties and the measures they felt could have been taken to prevent them.
All the interviews were recorded and transcribed in full. Details of the people interviewed are given in tables 1 and 2.

Table 1: Managers interviewed

<table>
<thead>
<tr>
<th>Executive Pseudo</th>
<th>Position</th>
<th>Length of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derick</td>
<td>Sales &amp; marketing manager</td>
<td>4hr 25</td>
</tr>
<tr>
<td>Eliane</td>
<td>International client manager</td>
<td>2hr 14</td>
</tr>
<tr>
<td>Vincent</td>
<td>Pre-sales and installation consultant</td>
<td>1hr 48</td>
</tr>
<tr>
<td>Marceau</td>
<td>Accounts manager</td>
<td>48 min</td>
</tr>
<tr>
<td>Paul</td>
<td>Country manager</td>
<td>2hr 18</td>
</tr>
<tr>
<td>Rémy</td>
<td>Recovery manager</td>
<td>2hr 11</td>
</tr>
<tr>
<td>Kalie</td>
<td>Back office manager</td>
<td>2hr 23</td>
</tr>
<tr>
<td>Max</td>
<td>Sales director</td>
<td>1hr 12</td>
</tr>
<tr>
<td>John</td>
<td>Industrial planning manager</td>
<td>1hr 54</td>
</tr>
<tr>
<td>Sébastien</td>
<td>Project engineer</td>
<td>1hr 23</td>
</tr>
<tr>
<td>Annie</td>
<td>Communication manager</td>
<td>49 min</td>
</tr>
<tr>
<td>Elie</td>
<td>HR manager</td>
<td>1hr 21</td>
</tr>
</tbody>
</table>

Table 2: Employers interviewed

<table>
<thead>
<tr>
<th>Business sector</th>
<th>Pseudo</th>
<th>Position</th>
<th>Cases of troubled managers evoked</th>
<th>Length of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computing</td>
<td>Alex</td>
<td>HR manager</td>
<td>Jacques; Louis</td>
<td>3hr 41</td>
</tr>
<tr>
<td>Computing</td>
<td>Franck</td>
<td>General manager</td>
<td>Thibaud, Eric</td>
<td>1hr 31</td>
</tr>
<tr>
<td>Computing</td>
<td>Freddy</td>
<td>Production manager</td>
<td>William, Gilles</td>
<td>59 min</td>
</tr>
<tr>
<td>Public works</td>
<td>Odin</td>
<td>Deputy general manager</td>
<td>Marie, Emmanuel</td>
<td>2hr 18</td>
</tr>
<tr>
<td>Banking services</td>
<td>Karen</td>
<td>HRD</td>
<td></td>
<td>1hr 42</td>
</tr>
<tr>
<td>Sub-contracting</td>
<td>Clovis</td>
<td>Industrial director</td>
<td>Christian</td>
<td>1hr 01</td>
</tr>
<tr>
<td>Sub-contracting</td>
<td>Chloé</td>
<td>HR manager</td>
<td></td>
<td>2hr 08</td>
</tr>
<tr>
<td>Sub-contracting</td>
<td>Fanny</td>
<td>Factory manager</td>
<td>Robert</td>
<td>1hr 25</td>
</tr>
<tr>
<td>Quality control</td>
<td>Margueri</td>
<td>HRD</td>
<td>Rachel</td>
<td>1hr 07</td>
</tr>
<tr>
<td>Quality control</td>
<td>Dave</td>
<td>Agency head</td>
<td>Coline</td>
<td>1hr 17</td>
</tr>
<tr>
<td>Public housing</td>
<td>Luc</td>
<td>HRD</td>
<td>Joseph</td>
<td>1hr 39</td>
</tr>
<tr>
<td>Public housing</td>
<td>Xuan</td>
<td>Office manager</td>
<td>Fabien, Sophie</td>
<td>1hr 24</td>
</tr>
<tr>
<td>Sportswear</td>
<td>Edmond</td>
<td>General manager</td>
<td>Jean, Catherine</td>
<td>1hr 37</td>
</tr>
<tr>
<td>Sport</td>
<td>Christell</td>
<td>HRD</td>
<td></td>
<td>59 min</td>
</tr>
</tbody>
</table>

Because the objective of our research was to examine the situations of troubled managers, we first had to define the concept of troubled manager. Our research covered two types of
manager: troubled managers and managers facing difficulties. We defined troubled managers as those who face major difficulties and who show a high level of ill-being. This was the case for most of the managers who took part in our study. A small number of the managers we encountered faced difficulties without struggling to cope with them. As these managers were able to overcome the difficulties they face, they were not considered troubled managers.

The issue of the commitment of managers, which was not at first included in our research, emerged very strongly when we analyzed the interviews. In fact, one of the central questions posed by the situations of troubled managers is that they lock themselves away in their problems and wait until forced before seeking alternative solutions. Because the reasons why managers are willing to remain in highly damaging situations seemed mysterious, we decided to look at the relationship between organizational commitment and ill-being in troubled managers.

Data analysis
In order to better understand the link between commitment and ill-being, we carried out a content analysis of the interviews. After separately coding all the interviews, we examined three cases of troubled managers in more detail, making connections with similar cases where relevant.

Global analysis of the corpus
The two researchers separately coded all the interviews, and then compared the two lists of codes. There was a very high level of agreement between the two lists.

The interviews with the managers and the employers were all coded in the same way. In both cases, we drew up a coding grid of concrete elements that could be found in the interview transcriptions. These coding grids allowed us to ensure the objectivity of the dimensions noted, even if the situation was described second hand (e.g., “he became depressed”, “she often came crying into my office”, etc.).

The coding focused on the following two dimensions:

- The level of ill-being of the managers

Although all the managers in our sample were troubled, they were not all in the same situation. In order to analyze this dimension, we drew up a coding grid that provided an objective description of the different aspects of ill-being (table 3).

Table 3: Coding grid for the ill-being dimension.

<table>
<thead>
<tr>
<th>Category</th>
<th>Themes</th>
<th>Main keywords and significant expressions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manifestation of ill-being</td>
<td>Psychological indicators</td>
<td>Stress, burnout, depression, pain, suffer, suffering, living death, return to life, anxiety, destructuring for the identity, emptying, tension.</td>
</tr>
<tr>
<td></td>
<td>Physical indicators</td>
<td>Fatigue, chronic fatigue, stomachache, back ache, crying, tears, health problems, ill, moments of great emptiness, physical symptoms, weight gain, weight loss.</td>
</tr>
<tr>
<td></td>
<td>Behavioral indicators</td>
<td>Alcohol, reluctance to go to work, taking drugs.</td>
</tr>
</tbody>
</table>

We then identified three levels of ill-being:
- Low level of ill-being (level 1) included managers with difficulties (e.g., they were in sharp conflict with a colleague, they were not achieving results targets, etc.) who were obviously feeling stress, but who were not suffering from ill-being.

- High level of ill-being included troubled managers, that is, managers suffering from ill-being. The high level category was divided into two sub-categories:
  - Level 2 included managers who showed high levels of ill-being and who were questioning what they were doing. They were suffering but not showing tangible signs of depression or burnout.
  - Level 3 included managers suffering from very high levels of ill-being who were showing signs of depression and burnout.

The resources they lacked were listed for each of the managers studied.

- **The characteristics and intensity of the different components of commitment.**
  For each troubled manager, we looked for the presence of affective, normative and continuance commitment. The coding grid used for this is shown in table 4.

<table>
<thead>
<tr>
<th>Category</th>
<th>Themes</th>
<th>Main keywords and significant expressions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational commitment</td>
<td>Affective commitment</td>
<td>Like an old couple, family, love, values, sharing the interests of the firm before one’s personal interest, the organization’s problems are my problems, involved, committed, attached, think firm, sharing in the life of the firm, sentiment, adhesion, symbiosis with the firm.</td>
</tr>
<tr>
<td></td>
<td>Normative commitment</td>
<td>Loyalty, ethics, you have to be fair to the firm, owning something, honesty with the organization, I don’t like it when people criticize my company, duty to the organization, guarantor of the organization’s values.</td>
</tr>
<tr>
<td></td>
<td>Continuance commitment</td>
<td>Advantages, salary, unemployment, leave, if I left this job, I would be broke, when I think about how much I earn, I shut my mouth, I could have left before, but I have responsibilities, leave… it was out of the question then.</td>
</tr>
</tbody>
</table>

We coded these commitment dimensions on a scale from 1 to 5: 1, very weak; 2, quite weak; 3, moderate; 4, quite strong; 5, very strong. Thus, a manager was considered to be highly committed when his commitment score was above 3 and very highly committed when his commitment score was above 4.

Cases that could not be clearly characterized were excluded from the study. These cases included those where we were unable to define a level of ill-being and at least one level of the commitment dimension. Consequently, our results are based on 19 cases of troubled managers: 8 cases described by the employers’ representatives and 11 of the managers interviewed.

Following our analysis of this corpus, we looked in detail at three of the cases.
**Detailed analysis of three cases**

In order to examine the nature of the links revealed by the systematic processing of our data, we decided to analyze some of the cases in more detail. To do this, we chose the three most representative cases, those of Sébastien, Marceau and Marie. All three of these managers showed high levels of ill-being, but they had different organizational commitment profiles. Sébastien’s commitment profile was predominantly affective (AOC 5; NOC 3.5; COC 1); Marceau’s commitment profile was predominantly continuance (AOC 3; NOC 3; COC 5); and Marie’s commitment profile was predominantly normative and affective (AOC 5; NOC 5; COC?).

Although our investigation of the relationship between very high levels of commitment and well-being/ill-being at work was based on these three cases, our results mention other similar cases where appropriate.

**RESULTS**

**Strong commitment and ill-being: a common situation among troubled managers.**

By crossing the level of ill-being with each of the three dimensions of commitment, we were able to show that many managers are strongly committed and have high levels of ill-being.

Figure 1: Levels of ill-being and affective organizational commitment.

Eleven of the 15 managers coded for affective commitment (affective commitment could not be coded for four of the managers) had a high level of affective organizational commitment and a high level of ill-being (Figure 1). Only one manager, Marceau, showed a high level of ill-being and moderate affective commitment. Marceau was notable for his high level of continuance organizational commitment (see Figure 3).
Six of the 12 managers coded for normative organizational commitment (seven managers could not be coded for normative commitment) had a high level of normative commitment and a high level of ill-being (Figure 2). Only three managers, John, Max and Vincent, had a high level of ill-being and a low level of normative commitment. John and Max had very high affective organizational commitment and high continuance organizational commitment.

Five of the 11 managers coded for continuance organizational commitment (eight managers could not be coded for continuance commitment) had a high level of continuance commitment and a high level of ill-being (Figure 3). Only three managers, Sébastien, Remy and Paul, had a high level of ill-being and a low level of continuance commitment. These three managers had high or very high levels of affective and normative organizational commitment.

These results support the hypothesis that, in certain cases, it is possible to find both a high level of affective and normative commitment and a high level of ill-being. In addition, the managers who were not suffering from ill-being showed moderate levels of organizational commitment. Our results also confirm the link described in the literature between continuance...
organizational commitment and ill-being (Wasti, 2005). However, our results for affective and normative commitment did not support those of numerous previous empirical studies, and therefore required further investigation. To do this, we examined three cases in greater detail.

Three representative cases of committed managers facing difficulties

Presentation of the three cases

Sébastien is 35 years old and works in the oil industry. Identified as a high flyer in his organization, he “rose through the ranks at lightning speed”. In 10 years he went from being a young engineer to a project manager, carrying out a wide range of international assignments. He has a strong attachment for his organization. On a personal level, his attempt to build a family life ended the day his efforts at work were rewarded – having been asked by his organization to manage an important project abroad, his wife announced she was leaving him and taking their children back to France. From then on, his problems began to accumulate. After several years of major difficulties, it took a coach and a number of professional disappointments to get him to start looking for a new job. This new start allowed him to rebound both personally and professionally.

Marceau is 45 years old. He graduated from engineering school in 1981 and occupied a number of positions within three different organizations over a period of 20 years. Following a training course, and thanks to the network of his old engineering school, he joined his last firm, via a work placement, as an accounts manager. The work placement was turned into a fixed-term contract and then into a long-term contract, without him being explicitly told he had been recruited. The resources available for his position are completely inadequate. For example, his office is the meeting room, so he has to put up with his colleagues’ meetings while he is working. He expresses a high level of ill-being, and his health is being affected by the difficulties he encounters in his professional life and the atmosphere in his work place. Nevertheless, he does not envisage leaving his organization.

The case of Marie was described by her superior, Odin, who was worried about her extremely high commitment and her inability to see things in perspective. At the age of 37, Marie is a works foreman. Working in a male-dominated world, she has managed to gain the respect of the men she manages. Her supervisor thinks she is an excellent professional but that she gets too involved. Having been with the firm for six years, she has always worked extremely long hours and her recent motherhood has not reduced her commitment. Even if she finishes work early, it is not rare for her to be in her office at 4 am. This commitment seems to be having serious consequences that worry her supervisor, as he has recognized her ill-being and he is worried she will become depressed.

Analysis of the three cases

All three cases are characterized by very strong commitment on the part of the managers. However, differences can be recognized in the forces driving this commitment and its effects on well-being.

Sébastien: From commitment to self-abnegation
Sébastien’s case can best be understood by dividing it into two stages, as his professional situation and his ill-being evolved over the years, with his organizational commitment playing a dominant role in his choices.

**Stage 1: Sébastien’s descent**

Sébastien is a manager who is very committed to his work. He has large energy resources, such as his organizational commitment and his commitment to his career. Although his organizational commitment has both normative and opportunist dimensions, its dominant component is affective. On several occasions he mentions his attachment to the firm in which he had a brilliant career. His balance is also assured by other resources, thus his work-life balance is a resource that Sébastien values very highly.

However, his commitment is so strong it has led Sébastien to put his organization and his career ahead of his personal life. This evolution is shown diagrammatically in Figure 4.

**Figure 4. Summary diagram of Sébastien’s situation during stage 1**

The consequence of Sébastien’s strong organizational commitment combined with his commitment to his career was to upset his work-life balance.

“For the company, for your career, you have to make sacrifices in your personal life”
(Sébastien)

For a period of time, his commitment resulted in an abnegation of his personal interests and his life.

“You are in a spiral, yes, but, on the other hand, this spiral, there are carrots, cherries on the cake that entice you. And, each time, they keep you in that spiral. At the same time, you lose sight of the realities of family life, the realities of simple everyday life”
(Sébastien)

A strong affective commitment to the organization, sometimes to the detriment of commitment to family life, is now a common behavior, and one that continues to be encouraged, explicitly or implicitly, by many firms. It was something we observed in several cases of troubled managers. Hence, the deterioration of the work-life balance is a factor in the ill-being felt by managers. This result supports other results reported in the literature.

“The firm has a charter that lays out the values and commitments of all: respect for others, put the firm before one’s personal interests.” (Clovis)
Stage 2.: The chaotic search for a new balance

Subsequently, Sébastien’s commitment to his career decreased greatly, but his organizational commitment persisted through thick and thin. Sébastien went through a succession of stages in his professional life, during which he lost resources and suffered from stress and ill-being without ever considering leaving his organization. For many years he looked for solutions within his firm.

When he first came back to France he was given a position he felt was of little interest. Receiving little support from his colleagues or his superiors, with no career prospects due to his refusal to take up a post abroad, and more than 500 km from his children, he went through a very bad period. Later, through an international project steered from Paris, he found a professional opportunity within his firm that increased his resources and his negotiating power:

“I immediately came back into the world of the living.”

At the end of this project, his new resources allowed him to negotiate a transfer closer to his children, but the position he was offered turned out to be disappointing in terms of what it involved and the conditions associated with it. It was only then, when he was going through a slightly better phase, that he started to think about leaving the organization. This decision allowed him to get out of the rut he had been in for several years and to rebuild his resource capital (work-life balance, career prospects, interesting job, etc.). This was only made possible by the disappearance of his organizational commitment.

Thus, Sébastien’s case shows that, in certain situations, affective organizational commitment is a resource that can turn against the possessor and keep that person in a situation of ill-being. It also clearly highlights the link between affective organizational commitment and the work-life conflict, which was at the root of Sébastien’s difficulties.

Marceau: From adhesion to values to loss of self-image

Marceau is a manager in great difficulty, whose work is affecting his health. Nevertheless, his opportunistic reasoning has led him to maintain his damaging link with his organization.

The resources Marceau values and expects (organizational climate, material resources, support from superiors, values of the organization, job security, etc.) are under threat, lost or missing, causing him to suffer. Nevertheless, he claims to have maintained his link with the organization because he needs his job. As a result, his attitude towards his organization is one of continuance organizational commitment.
Marceau finds himself in an ambiguous position with respect to his organization. On the one hand, he keeps his distance by criticizing the choices, the management and the strategy of the firm’s board; on the other hand, he does not envisage making this distance more concrete by leaving the firm.

“*You try to bamboozle them, very quickly you get loads of excuses to embellish reality, up to the point that it is no longer defendable or credible. At times like that, I keep my mouth shut. Like that…‖* (Marceau)

There came a time when the contradiction between personal values and organizational values led Marceau to question his self-esteem and self-image. By clinging on to the organization come what may, even though the organization was the root cause of his suffering, he adopted a self-destructive attitude.

These negative effects of continuance organizational commitment can be found in most cases of troubled managers, because many managers remain in unsuitable positions for reasons linked to the material conditions provided by their job or, sometimes, for fear of unemployment. By doing this, they lock themselves into situations of suffering that are often self-destructive.

“*I put off leaving my firm. I could have done so in 2004, when I did my DESS (pre-doctoral degree), when I saw there were no prospects. It was family concerns that made me say to myself, “after all, my job is interesting and there are family issues to take into account”. But I think you shouldn’t hesitate to move on when the cup is full; you shouldn’t try to drag things out when the return on your investment, the level of difficulty, of ill-being; when you feel that you have reached a turning point, I think you should be brave enough to tell yourself to do something else‖* (John).

*Marie: From identification to ill-being.*
Marie is a manager whose affective and normative commitment worries her superior. Faced with the normal difficulties of her job (demands and criticisms of clients, time and work overload, etc.), she seems to be swamped. Her superior has seen that she is often overwhelmed by events and that she often breaks down in tears. He believes she will end up completely burnt out.

“Straight away, it is she who represents the firm. As she is a site manager, she takes things to heart, as if they were meant personally. She immediately goes very high […] she has great difficulty keeping things in perspective, not taking things to heart […] and it shows. She regularly comes into my office and cries for half an hour, she empties herself, she takes it onto herself, she takes it onto herself, she takes it onto herself.”

In this situation, far from providing Marie with a resource that enables her to cope with the problems of her job, her organizational commitment prevents her keeping things in perspective. In fact, Marie takes to heart all the criticisms, all the delays at the sites she manages and all the problems of her co-workers’ behavior, etc.

Figure 3: Summary diagram of Marie’s situation

In Marie’s case, her excessive affective and normative attitude toward her organization produces high level of ill-being and mediocre professional results. Once again, commitment, which is generally seen as a resource for combating ill-being, seems to have rebounded and become a major factor in Marie’s ill-being.
DISCUSSION

The results of our empirical analysis support the hypothesis that organizational commitment can have damaging effects on well-being, or accentuate or prolong situations of ill-being. All three components of organizational commitment (affective, normative and continuance) are capable of keeping troubled managers in intolerable situations.

The different types of commitment

Our results for continuance commitment are in line with the conclusions of most studies of commitment, which have tended to focus on affective organizational commitment and to consider the effects of continuance organizational commitment on well-being and attenuating stress to be negligible or zero (Irving & Coleman, 2003; Meyer et al., 2002; King & Sethi, 1997). However, our analysis suggests that continuance commitment can itself be a source of ill-being, in the sense that it has a self-destructive dimension: a manager remains in a situation he/she knows is bad for him/her because it may provide opportunities later. This observation goes beyond the conclusions of most previous empirical studies.

On the other hand, our results for affective commitment and normative commitment diverge from those reported by most previous empirical research, but they do support some of the intuitions mentioned in our review of the literature. Hence, affective and normative commitment can, in some cases, favor a certain inability to see work situations in perspective (Thévenet, 2007), and a very high level of affective commitment may favor work-life imbalances (Reich, 2001).

The conservation of resources theory and commitment

Organizational commitment can be seen as an energy resource in Hobfoll’s sense of the term (1988, 1989, 1998; Wright & Hobfoll, 2004), which means it is capable of turning into a resource valued by the individual. Our results show that such resources are not stable and that they can evolve as a function of the situation. In the three cases we studied in detail, the commitment resource has been transformed. If this energy resource is not turned into a valued resource, it ceases to protect the possessor from the effects of ill-being. However, the possessor does not immediately realize that the behavior of the resource (organizational commitment) no longer corresponds to the desired behavior and that it is keeping him/her in an undesirable situation. Far from stopping there, the “resource” seems to blind the possessor, stopping him/her from seeing things in perspective. This transformation of the energy resource into a force working against its initial objective (here, we can talk about a “reversal” of the resource), explains how it can produce negative effects.

Limitations and exploratory avenues

The aim of the present study was to present a hypothesis supported by a preliminary qualitative study, rather than to provide evidence for the existence of excessive commitment.

Given the features of the sample on which this preliminary study was based (a convenience sample with little variance because all the managers were overstressed), great caution must be exercised in generalizing the results. Consequently, further work should replicate the study on other types of population and develop a means of quantifying data. Although the perspective of employers’ representatives shed light onto managers’ situations and provided a more varied sample, it would have been interesting to have looked at each manager’s situation from the point of view of both the manager concerned and his/her superior.
The above-mentioned contradictions can be accounted for with reference to three separate, but not mutually exclusive, parameters.

**Taking into account the time dimension**

In the case of troubled managers, it is striking to observe that, contrary to the conclusions drawn from previous studies (Taris, Schreurs & Van Iersel-Van Silfhout, 2001; Babakus, Cravens, Johnston & Moncrief, 1999; Johnston, Parasuraman, Futrell & Black, 1990; Leiter & Maslach, 1988), most managers suffering from major difficulties remain highly committed. In fact, burnout is a process that takes a long time to develop (Schaufeli & Enzmann, 1998). Similarly, organizational commitment, particularly affective commitment, is an attitude that evolves over time. In the literature, burnout (or professional exhaustion) is almost systematically linked to a reduction in organizational commitment, with the idea that the burnout is the source of the loss of commitment (Lee & Ashforth, 1996; Leiter & Maslach, 1988; Jackson, Turner & Brief, 1986). However, these links were based on quantitative studies that did not take into account the time dimension. By using a qualitative methodology that includes the time dimension, we were able to show that these phenomena are not instantaneous – although ill-being eventually leads to a loss of commitment, until that occurs, the persistence of commitment locks managers into situations of ill-being. Hence, strong commitment contributes to the dramatic deterioration of the situation. Like the interplay of loyalty described by Hirschman (1970), organizational commitment prevents managers resolving their difficulties by leaving their firm.

**The context in which the difficulties arise**

Our study led us to analyze the effects of managers’ organizational commitment when they are in difficult situations. The idea of commitment as a negative force has already arisen in studies of particularly difficult organizational contexts. For example, in the case of the privatization of a public service that engendered a high degree of uncertainty for the service’s employees, Irving and Coleman (2003) reported that affective commitment could exacerbate the effects of certain stressors. Referring to Reilly (1994), they explained these results in terms of the employees’ high level of affective organizational commitment linked to a strong identification with role and uncertainty about their future. Mathieu and Zajac’s analysis (1990) also recognizes the highly negative impact of certain organizational difficulties (strikes, accidents) for the most strongly committed employees. Therefore, we can hypothesize that commitment does not protect employees in difficult personal or organizational situations from ill-being. In some cases, commitment may even increase ill-being.

**Excessive organizational commitment**

The third aspect covers the existence of risks linked to levels of commitment that are excessively high. So, excessive organizational commitment may have damaging effects on health at work. Although it is tempting to suggest that the difficulties faced by the managers we studied may have other causes, such as their commitment to their careers (Sébastien) or workaholism (Sébastien and Marie), this hypothesis can be dismissed. For example, it was Sébastien’s organizational commitment that prevented him leaving the difficult situation he was in, as it was relatively easy for him to reduce his commitment to his career and his workaholism. For Marie, even though it is difficult to totally dismiss workaholism, her affective and normative organizational commitment, closely linked to her organizational identification, played an important role in exacerbating her stressful situation.
Hence, a very (excessively) strong affective commitment combined with a high level of organizational identification can have serious consequences, and result in managers losing touch with reality. This hypothesis echoes warnings from social psychologists who are worried about the effects on individuals of excessively close links with their firms (Aubert & De Gaujelac, 1991, 2007)

CONCLUSION
Our study of troubled managers supports the hypothesis that very strong commitment can be a source of ill-being for employees, particularly for managers, because their commitment is highly solicited by organizations. In difficult situations, commitment, which is mostly seen as a positive force for relationships, involvement and adhesion to the firm’s policy, can turn into a negative force that prevents individuals looking for new ways of pursuing their careers. This hypothesis explains why troubled managers often suffer a blockage that prevents them looking for solutions to the situation they are in. In some situations, it also calls into question the value of practices designed to build high commitment.
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THE EFFECTS OF WORK ALIENATION IN THE RELATIONSHIP BETWEEN WORK VALUES, MATERIALISM AND ORGANIZATIONAL COMMITMENT

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ABSTRACT

This study examines the effect of work alienation in the relationship between work values, materialism and organizational commitment. The main motivation of the study is to examine whether different work values (intrinsic and extrinsic work values) will have differing effects on affective, continuous and normative organizational commitment. The effects of work values and materialism on organizational commitment are believed to change as work alienation is included in the relationship. Work alienation represents the extent to which a person is disengaged from the world of work (Hirschfeld and Feild, 2000). Therefore, it is predicted that those employees who score high on work alienation will have lower levels of affective commitment regardless of their work values. Similarly, those employees with materialist value orientations will have lower levels of organizational commitment.

This study aiming to examine the relationships between work values, materialism, work alienation and organizational commitment should be regarded as a preliminary attempt. Turkish employees working in SME’s are targeted to fill out a questionnaire which includes Turkish work values inventory developed by Tevrüz and Turgut (2004), Mottaz’s (1981) work alienation scale, Richins and Dawson’s Material Values (1992) and Meyer and Allen’s (1997) organizational commitment inventories. In total 201 employees participated in the study. The preliminary findings showed that work alienation did not mediate the effects of work values and materialism on organizational commitment as predicted.

Keywords: organizational commitment, work alienation, work values and materialism

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Introduction

Understanding the dynamics of employee commitment has been an important issue for managers and researchers working in the field of organizational behavior. Although such emphasis has been given to concepts such as organizational commitment, job satisfaction, leadership and related topics (Katz and Kahn, 1978; pp.384); work alienation has much often been overlooked. Many contemporary textbooks in management and organizational science do not even refer to this issue (Nelson and O'Donohue, 2006). It seems that the term alienation has become unfashionable due to its negative connotations. However, more recently the concept is being integrated into the literature and is receiving more attention. This is believed to have gained pace after the 2008 financial crisis in the United States which spread to economies all over the world and brought back the debate on capitalism and its effects on the human condition. In the current study the relationship between work alienation and organizational commitment are investigated to enable a deeper understanding of employee commitment.

Organizational Commitment

Organizational commitment has been defined as a psychological link between the employee and the organization that makes it less likely the employee will voluntarily leave the organization (Allen & Meyer, 1996). Most of the studies on organizational commitment have adopted the three component model developed by Allen and Meyer (1990). The first dimension of the three component model is affective organizational commitment, and is defined as positive feelings of identification with, attachment to, and involvement in, the work organization. The second component is continuance commitment, the extent to which employees feel committed to their organizations by virtue of the costs that they feel are associated with leaving (e.g., investments or lack of attractive alternatives). And the third dimension is normative commitment and is defined as the employees’ feelings of obligation to remain with the organization (Meyer and Allen, 1984). Normative commitment differs from affective commitment due to the fact that the employee regards working for the organization as a duty and an obligation, and differs from continuous commitment since it is not influenced by one’s calculations of the loss of quitting (Wasti, 2000). Meyer and Allen (1991) have revealed that intention to quit was negatively associated with all three components of commitment. According to Meyer and Allen’s (1997) extensive review, affective commitment developed as a result of positive work experiences and was influential on organization’s efficiency whereas; continuous commitment developed due to lack of alternatives and did not have a significant effect on efficiency. Normative commitment is the least investigated component and is primarily associated with the personal loyalty norms of employees. There is no certainty about the effects of normative commitment in the organizational setting (Wasti, 2000).

Studies on commitment have investigated its relationship with job turnover, intention to quit, procedural justice, job satisfaction and other work related attitudes. However its relationship to work alienation has not received much attention. This study aims to investigate the relationship between work alienation and organizational commitment and test whether work alienation will be a stronger predictor of commitment than work values and materialism. In this regard it is important to theoretically set the ground for the assumptions proposed. Existentialists regard alienation as a central construct in their psychology, pointing to a separation of the individual from the real or deeper self due to factors of conformity and
pressures found, for example, in organizations. In this sense, alienation can be seen as a crisis of personal identity in which there is tension between the inner or ‘true’ self and the demands of modern organizational life (Nelson and O’Donohue, 2006). In this regard it is believed that if an individual is alienated from their work he or she will perceive the work to be unimportant and not valuable to get involved in or commit to. Previously, researchers (Michaels et al., 1988; Organ and Greene, 1981) posited that work alienation would be negatively related to organizational commitment. Their rationale was that individuals who are committed to the organization are more likely to identify psychologically with their work than are those who are not committed to the organization. This position has been empirically supported across several studies as well (Agarwal and Ramaswami, 1993; Michaels et al., 1988; Agarwal, 1993; Michaels et. al., 1996). For example, Wittig-Berman and Lang (1990) found a negative correlation between commitment and physical symptoms of stress, personal alienation, and social alienation (Meyer and Maltin, 2010).

Work Alienation

The concept of alienation, rooted deeply in sociological tradition, has not enjoyed popularity in the organizational research and behavior literature (Kohn, 1976, p. 113; Nair and Vohra, 2010). Theorists have suggested numerous possible correlates of alienation (Dean, 1961), such as apathy (Keniston, 1960), authoritarianism (Adorno, et. al., 1993), conformity (Fromm, 1958), cynicism (Merton, 1947, p. 143), hoboism (Grodzins, 1956), political apathy (Rosenberg, 1951), political hyperactivity (Riesmann and Glazer, 1950), or personalization in politics, prejudice (Adorno, 1993, p. 618), privatization (Kris and Leites, 1950, p. 283), psychosis (Jaco, 1954), regression (DeGrazia, 1948, p.8) and suicide (Powell, 1958). Those theories that were used to integrate alienation to the work area also translated the concept to being mostly related to contextual factors such as formalization and centralization and not explicitly investigated its relationship to individual level concepts. In addition to its limited integration into organizational research; references to the concept especially in sociological and philosophical traditions have been mainly implicit rather than explicit.

The first attempt to conceptualize the alienation construct and enable it to be quantitatively measured was by Seeman. Seeman (1959) introduced a five-dimensional work alienation scale consisting of powerlessness, meaninglessness, normlessness, isolation and self-estrangement. A later study by Mottaz (1981) which specifically focused on the effects of alienation in the work environment used a shortened version of Seeman’s conceptualization which included the powerlessness, meaninglessness and self-estrangement dimensions.

The first element of work alienation powerlessness, was suggested by Hegel and by Marx in their discussions of the worker's "separation" from effective control over his economic destiny (Marcuse, 1941, p.34); of his helplessness; of his being used for purposes other than his own (Dean, 1961). Weber (Gerth and Mills, 1946, p. 50) also argued that the worker was only one case of the phenomena; for in the industrial society, the scientist, the civil servant, the professor is likewise "separated" from control over his work. According to Seeman (1959) this variant of alienation can be conceived as the expectancy or probability held by the individual that his own behavior cannot determine the occurrence of the outcomes, or reinforcements, he seeks. The use of powerlessness as an expectancy means that this version of alienation is very closely related to the notion (developed by Rotter) of "internal versus external control of reinforcements." The latter construct refers to the individual's sense of personal control over the reinforcement situation, as contrasted with his
view that the occurrence of reinforcements is dependent upon external conditions, such as chance, luck, or the manipulation of others.

The second component, meaninglessness, is a situation related to comprehension and information level of a person regarding the job. Meaninglessness is a situation that appears when employees consider that their contribution to total production is too little or too unimportant. If considered about employees, they can suffer this dimension of estrangement when they think that their contribution to production process is too much little, and their role is unimportant for the process. This second type of alienation, then, refers to the individual's sense of understanding the events in which he is engaged. We may speak of high alienation, in the meaninglessness usage, when the individual is unclear as to what he ought to believe when the individual's minimal standards for clarity in decision-making are not met (Seeman, 1959). One might operationalize this aspect of alienation by focusing upon the fact that it is characterized by a low expectancy that satisfactory predictions about future outcomes of behavior can be made. Put more simply, where the first meaning of alienation refers to the sensed ability to control outcomes, this second meaning refers essentially to the sensed ability to predict behavioral outcomes.

Self-estrangement is another dimension of alienation which occurs when employees do not estimate their job satisfactory. As employees instrumentalize their job for a certain objective, the job is no more an internal rewarding element for them, but becomes a compulsory activity they have to execute for a determined purpose. Thus, this instrumentalization becomes a factor for self-estrangement of employee (Mottaz, 1981, p.515). According to Seeman (1959) self-alienation is generally characterized by the loss of intrinsic meaning or pride in work, a loss which Marx and others have held to be an essential feature of modern alienation. This notion of the loss of intrinsically meaningful satisfactions is embodied in a number of ways in current discussions of alienation. The basic idea contained in the rhetoric of self-estrangement -the idea of intrinsically meaningful activity- is the degree of dependence of the given behavior upon anticipated future rewards, that is, upon rewards that lie outside the activity itself. In these terms, the worker who works merely for his salary, the housewife who cooks simply to get it over with, or the other-directed type who acts "only for its effect on others"- are instances of self-estrangement. In this view, what has been called self-estrangement refers essentially to the inability of the individual to find self-rewarding or self-consummatory activities that engage him (Seeman, 1959).

Work Alienation and Organizational Commitment

Work alienation is an important concept in understanding work commitment in a holistic manner since it is a construct that captures psychological engagement inversely and brings in a new perspective in the comprehension of organizational commitment. Blauner’s idea of self-estrangement is the opposite of commitment in the OB literature – the sharing of values, a heart-felt effort to contribute, and an interest in remaining a part of an organization (Brannen and Peterson, 2009). Work alienation represents the extent to which a person is disengaged from the world of work (Hirschfeld and Feild, 2000). Hackman and Oldham (1980) used the following terms and phrases as analogues: alienation, boredom, disaffection, emotional and psychological withdrawal, and (low) activation level. Work alienation represents a generalized, unenthusiastic outlook toward the world of work that indicates a low level of engagement in the work role (Kobasa et al., 1982). Therefore, alienation from work is conceptualized as an affect-inclusive phenomenon -that is, it portrays a low level of positive affect for the world of work (Hirschfeld and Feild, 2000). Work alienation has previously been included as a component of a commitment disposition or
propensity to 'involve oneself in (rather than experience alienation from) whatever one is doing or encounters' (Kobasa et al., 1982, p. 169) and is conceptually associated with diminished levels of positive psychological activation pertaining to work endeavors and settings (Hull et al., 1987; Seeman, 1991). Hirschfeld and Feild (2000) have supported the contention that people alienated from work are unlikely to experience positive interactions and engagements in work settings, by showing in their study that work alienation was strongly correlated with affective organizational commitment.

Taking in consideration that affective organizational commitment is considerably influenced by the general disposition to experience positive affect and activation (Cropanzano et al., 1993) and since work alienation is theoretically linked (inversely) to experiencing positive affect through connection with the work setting (Kobasa et al., 1982; Tellegen, 1985), it is hypothesized that;

Hypothesis 1: Work alienation will be strongly and negatively correlated with affective organizational commitment.

One of the dimensions of work alienation is powerlessness. A negative consequence of feeling of powerlessness is the reduction in organizational commitment. When employees are allowed to participate in goal-setting they accept the goals of their organization and their commitment to the organization increases (Kanungo, 1992). Employees who can influence their work environment may experience greater attachment to their organizations. Powerlessness and organizational commitment are significantly and negatively associated. To provide employees to access resources and determine their roles increases sense of power. Equitable distribution of resources and job autonomy are likely to enhance an individual's sense of power (Gilbert and Ivanchevich, 1999).

Research shows that it is important for organizations to prevent negative attitudes from occurring because these can lead to undesirable behaviors (Agarwal, 1993). For instance, alienated employees are likely to care little about their work, expend little energy on their work, and perform work only for extrinsic rewards (Moch, 1980). In addition, a significant characteristic of alienation theory is that pay attitudes are theoretically distinct from other work attitudes. In fact, staying in an organization simply for reasons of satisfactory pay can be an element in a larger syndrome of alienation. That is, given a lack of viable options, employees sometimes stay in an alienating job only for financial reasons (Brannen and Peterson, 2009). These investigators interpreted their findings pertaining to continuance commitment. These signal that those who experience work alienation are likely to continue working for their current organization for the sake of either financial reasons or for the lack of job alternatives. Therefore, it is hypothesized in the study that work alienation will result in higher levels of continuance commitment.

Hypothesis 2: Work alienation will be positively correlated with continuance organizational commitment.
Work alienation and Materialism

Work alienation and materialism are believed to be deeply connected. Especially in the definitions of Marx we come across the reasoning that as the worker becomes alienated his/her relation to the end product or the material become stronger as relation to the process of producing that product or material. Marx stresses two points: 1) in the process of work man is estranged from his own creative powers, and 2) the objects of his own work become alien beings, and eventually rule over him, become powers independent of the producer (Fromm, 1961, pp.40). Marx stresses that the laborer exists for the product of production, and not the process of production for the laborer (Marx, 1906).

Marx’s view of the difference between the sense of having and the sense of being divides the line for the meaning of work to man. He stresses that as human beings are alienated from work they gain meaning and satisfaction when an object is only theirs when they have it, when it exists for them as capital or when it is directly eaten, drunk, worn, inhabited, etc., in short, utilized in some way. Thus all the physical and intellectual senses are replaced by the simple alienation of all these senses; the sense of having. In relation to the reasoning introduced, the following assumption is formulated.

Assumption 1: Materialism will lead to increased work alienation.

Materialism

According to Richins and Dawson (1992) materialism reflects the importance a person places on possessions and their acquisition as necessary form of conduct to reach the desirable end-state, including happiness. Richins and Dawson treat materialism as a value and stress on its transcendental nature which guides people’s choices and conduct in a variety of situations, including but not being limited to the consumption arena. In this perspective materialism might affect choices on the allocation of resources and affect.

Richins and Dawson (1992), as a result of an extensive study on materialism literature, came up with three common themes about materialism: centrality, happiness, and success. According to their review, the first theme is centrality, which refers to the importance materialists attach to possessions and the idea that possessions play a central role in their lives. Christopher and Schlenker (2004) add to this dimension asserting that materialistic people have a tendency to direct their thoughts and actions toward possessions over other pursuits (e.g., intellectual enrichment). The second theme generated from the study was happiness which is defined as the belief that through owning more or the ‘right’ possessions one could be happier and more satisfied (Ahuvia and Wong, 2002). This construct relates well-being with possessions. The third theme about materialism was success which referred to the view that success can be assessed by the things people own. In general, according to Richins and Dawson, individuals holding strong material values place possessions and their acquisition at the center of their lives, value possessions as a means of achieving happiness, and use them as an indicator of their own and others’ success.

Inglehart reflects the concepts in Maslow’s hierarchy (1970). According to him, materialism is a chronic focus on lower order needs such as physical comfort, safety over higher order needs such as self-expression, belonging, aesthetic satisfaction, and quality of
life (Inglehart, 1990, cited in Ahuvia & Wong, 2002). Inglehart, defines the opposite of a materialism as postmaterialism, in which people gives priority to higher order needs. Postmaterialists do not reject wealth, but they give it a lower priority to money and wealth compared to nonmaterial satisfactions. According to Inglehart, materialism and postmaterialism are the outcomes of formative experiences of deprivation or affluence. He describes his theory by saying that when people grow up in an environment with an economic insecurity or deprivation, they internalize this sense of deprivation and give materialistic values a higher importance. On the other hand, people who grow up in a sense of economic security, do not value money over other higher order needs. It is important to note that, Inglehart, talks about the feeling of economic security, not the actual economic level. It is a subjective psychological state, instead of a economic fact (Ahuvia and Wong, 2002).

According to Chang and Arkin (2002) people may turn into materialism when they face uncertainties in life. They said that: When people perceive high levels of societal normlessness, they are expected to aspire to excessive monetary success. When people experience feelings of self-doubt and inadequacies, they tend to use materialistic acquisitions as one way of establishing a useful identity. When people experience loss of control, they are also presumed to focus on materialistic acquisitions (p.393). According to them, uncertainty in life can also drive people towards materialistic tendencies, especially when it is the case of self-doubt. In their study, which was composed of 3 experiments, when primed by self-doubt, anomie, and normlessness, people had higher scores in materialism.

**Work Alienation and Work Values**

Some sociologists’ (Goldthrove, Lockwood, Bechhofer and Platt, 1968) have argued that the attitude of alienation from work depends on prior orientations, which workers develop in their cultural, subcultural, or social class settings. Such work orientations or values are learned through primary – and reference – group influences and are brought by workers to the work situations. For example, several studies (Kohn and Schooler, 1969) have shown social class and occupational differences with respect to values attached to intrinsic and extrinsic work outcomes. The studies have suggested that white-collar workers tend to hold middle-class work values stressing the importance of intrinsic outcomes, such as personal autonomy, achievement, and control in the job. Blue-collar workers on the other hand, seem to emphasize extrinsic job outcomes, such as pay and security, and consider work as means to other ends in their lives. These studies all stress that work alienation is positively related to extrinsic work values whereas it is negatively related to intrinsic work values. In this respect it is important to clarify what is meant by work values.

**Work Values**

Theory and research on work values precede largely from the premise that work values are derived from people’s basic value systems that help them navigate through the multiple spheres of their lives (Roe and Ester, 1999). An early definition by Rokeach (1973), states that a value is an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence. Rokeach defines beliefs about preferable modes of conduct ‘instrumental values’ and beliefs about preferable end-states ‘terminal values’. In a value system, individuals rank-order their instrumental and terminal values along a continuum of importance. Work values on the other hand are more specific than general life values as they
apply to a specific life domain. As such, work values influence the importance of work in the life of the individual (Šverko, 1989).

Some researchers stress that work goals can be regarded synonymous to work values since the concept of goals is a core element of values. For example, Zedeck (1997) has defined work values as goals that people strive to attain through working. Other definitions that stress the concept of goals have asserted that values signify desired goals scaled according to importance which guide a person’s life (Tevrüz, Turgut, 2004), behavior that is directed towards goals (French, Kahn, 1962), and criteria for choosing those goals (Locke, 1976). In all the definitions given above it is evident that the concept of goals can be substituted for the concept of values.

In the definitions of work values, the idea of an “attitude towards or orientation with regard to work” constitutes a central element. Most definitions of work values agree with the notion that work values are specific goals that the individual considers important and attempts to attain in the work context. One of the most important aspect that comes to fore from the theories of work and work motivation, is that workers differ with regard to the reasons they have for working and the needs they want to satisfy through work (Beukman, 2005). Similarly, Nord et al (1990) has defined work values as end states that guide individuals work related preferences that can be attained through the act of working.

Work values have been classified according to their types. Nord, et al. (1990) suggests that work values can be classified as intrinsic or extrinsic. Intrinsic work values refer to end states that occur through work or in the course of people engaging in work activities such as a sense of accomplishment and are dependent on the content of work. Extrinsic work values refer to end states that occur as a consequence of work, regardless or independent of the state of the content of work per se such as family security (George, Jones, 1997). In addition to this binary classification, Ginzberg, et al (1951) has suggested a third dimension. This third dimension is named social/environmental values referring to relations with co-workers and the work environment itself.

Elizur (1984: in Tevrüz, Turgut, 2004) arrived at a related trichotomous classification of work values by considering the modality of their outcomes. Elizur (1996) argued that various work outcomes were of a material nature referring to working conditions, pay and benefits. This first class of work outcomes was defined as material, or instrumental, in the sense that they were concrete and of practical use. The term “instrumental” applied in this context was used in a fashion similar to that in attitude studies which can be contrasted with the meaning applied in theories of work motivation. The instrumentality of work outcomes refers to the external nature of this class of values rather than the internal nature of other modalities. The second work outcome is not of material nature and includes an affective element which refers to social relations with associates. Since this outcome deals with interpersonal relations and is affective rather than material, it is referred to as the affective outcome. The final component is classified as the cognitive work outcome which refers to responsibility, interest, independence and achievement. The classification of Elizur et al (1984) largely overlaps with the extrinsic, intrinsic, and social value definitions and the instrumental vs. terminal value distinction introduced earlier in the paper.

The results of a study on work values and its dimensions conducted in Turkey by Tevrüz and Turgut (2004) parallels the studies conducted in the West. In their study, Tevrüz and Turgut (2004) derived 12 factors that explained work values and indicated that these factors aggregated on three value dimensions. These three value dimensions are referred to as ‘functions of work’ and are labeled individualistic, normative and worldly work values. The individualistic dimension includes; information seeking, independence, meaning in life, action
seeking, and keeping oneself busy. The second dimension, normative work values, includes fulfilling religious duties, aiding society, creating order, and avoiding negativity. The worldly dimension, on the other hand, includes earning bread, enjoyment, and achieving status. These dimensions are in line with the value dimensions derived in the West. However, ‘avoiding negativity’ or ‘negativity avoidance’, a factor in the normative dimension, is composed of values such as; avoiding alienation, striving to be on the right track, and preserving health, has not emerged as one of the factors of work values in Western studies. Tevrüz and Turgut (2004) argue that some of the values and goals are culture dependent and the ‘avoidance’ factor has emerged in their study due to the role of ‘avoidance’ in the Turkish culture. Although work values seem to be universal, emic items need to be included in order track any differences in value orientations.

As can be seen from the definitions and conceptualizations, work values constitute an important part of the experience of work. Work values are central aspects of the experience of work since they determine the meaning that work, jobs, and organizational experiences have for people (George and Jones, 1997; James and James, 1989). People try to make sense of their work experiences by judging how these experiences stack up against their work values (James and James, 1989; Jones and Gerard, 1967). Work values, therefore, function as the evaluative standards people use to interpret their work experiences and determine the meaning that individuals attribute to work, jobs, organizations, and specific events and conditions (George and Jones, 1997; James and James, 1989). Therefore it is reasonable to assume that those who hold differing work values will have differing levels of perceiving their work to be alien to them. Those employees who work for achieving extrinsic work values will have greater tendency to become alienated from their work whereas those who work for intrinsic work values will experience lower levels of work alienation. This assumption is partly supported by Weber (1930) who contends that work alienation is an absence of protestant work ethic. The critical elements of the protestant work ethic are the qualities of individualism and a form of asceticism which can be traced in intrinsic work values. The emphasis gets further expressed through the felt needs of work being a reward by itself or the intrinsic aspects of the work – taking one as the best use of one’s time and intrinsic satisfaction. Thus if Protestant ethic is missing, it is going to generate alienation. For Dubin (1956) the concepts of both alienation and involvement are intimately related to the Protestant work ethic, the moral value of work and personal responsibility. In fact, most contemporary sociologists view work alienation as a form of dissatisfaction or a feeling of disappointment with jobs, occupations or work in general, which do not provide intrinsic need-satisfaction or opportunities for self-direction and self-expression.

Assumption 2: Extrinsic or instrumental work values will be significantly and positively correlated with work alienation.

Method

Procedure and sample

An online version of the questionnaire developed for the study was sent via e-mail to employees listed in a non-official directory of Turkish SMEs. The directory contains contact information for over 4,000 employees working in SMEs and affiliate companies in various cities in Turkey or abroad. All communications were handled by the authors and were conducted in Turkish. After careful examination of returns, a total of 199 usable responses
were retained for analyses. The sample is dominated by males (71 per cent males versus 28 per cent females). No sector is highly represented in the sample; however, greater number of respondents was found to be from organizations in education, health and medical services, computers and software, the public sector, and construction.

**Measures**

**Organizational Commitment.** Organizational commitment was operationalized using Meyer and Allen’s (1997) Organizational Commitment Scale (OCS). The original 32-item instrument is designed to measure the extent to which employees are committed to the employing organization. The Turkish version has been adapted by Wasti (1999). The scale measures three distinct dimensions of commitment - affective commitment (AC), continuance commitment (CC), and normative commitment (NC). The overall reliability of the test is 0.937. Reliabilities of the dimensions were found to be (α_{affective}=0.931, α_{continuance}=0.764 and α_{weak}=0.759).

**Work Values.** Work values are measured by a twelve-item test developed by Tevrüz and Turgut (2004). The test was originally named “Work Goals” and included 69 items that loaded on 12 factors. In a following study, the items loading on each of the 12 factors were combined and the test was modified to include 12 items. The reliability of the 12-item scale was found to be 0.76 in a study conducted on 1152 respondents (Tevrüz, Turgut, Çinko, 2007). Work values are measured by the 12-item test. The participants were asked to rate each item on a scale ranging from (1) ‘not important’ to (6) ‘very important’. The reliability of the test is calculated as 0.807. Extrinsic work values had a reliability score of 0.676 and intrinsic values had 0.782.

**Work Alienation.** Work alienation is measured by a twenty one-item test developed by Mottaz (1981). The powerlessness dimension is measured by seven items including statements as “I am not able to make changes regarding my job activities” and “My daily activities are largely determined by others”. Meaninglessness dimension measured by seven items include statements like “Sometimes I am not sure I completely understand the purpose of what I’m doing” and “I understand how my work role fits into the overall operation of this organization”(R). Finally the self-estrangement dimension consists of seven items including “I do not feel a sense of accomplishment in the type of work I do”. A 6-point response scale was employed for work alienation test, ranging from “strongly disagree” (1) to “strongly agree” (6). The reliability score of the test was 0,834 and the reliability coefficients of the dimensions are 0,859 for powerlessness and 0,753 for self-estrangement. The meaningfulness dimension was not found to be reliable.

**Materialism.** The 18-item scale developed by Richins and Dawson (1992) has been used to measure materialism. Participants completed the 18-item Richins and Dawson (1992) Materialism Scale using a 1 (strongly disagree with this statement) to 5 (strongly agree with this statement) Likert-type scale. The original scale has three subscales called success, centrality and happiness. The first subscale, success, represents the use of possessions as an indicator of success in life. The second subscale, centrality, measures the importance of acquisition and possession in general. The third, happiness, concerns the perception that possessions are needed for happiness (1992). Example items from this scale include "The things I own say a lot about how well I'm doing in life," (success), “Buying things gives me a lot of pleasure” (centrality) and "I wouldn't be any happier if I owned nicer things“ (happiness, reverse-scored). In the scale, high scores indicated a greater degree of materialism. There were 8 reversed items in the scale. The overall reliability of the scale was found to be 0,829.
Preliminary Findings

The factor analysis on organizational commitment revealed three dimensions (KMO = 0.921 and Bartlett Bartlett’s Test significant at .000 level) explaining 52 per cent of the total variance. The results indicated that the factor structures differ from the original findings. From the analyses three factors emerged where the first dimension consisted of mostly affect oriented items along with items that had normative connotations. This dimension was named the affective commitment. The second dimension included items that referred to staying with the organization due to lack of job alternatives and resembled the original factor structure and was named continuous commitment. However the third dimension consisted of items with negative affect connotations and were therefore named weak commitment.

The factor analysis on work values revealed two factors (KMO = 0.806 and Bartlett Bartlett’s Test significant at .000 level) extrinsic work values and intrinsic work values; explaining 48 per cent of the total variance.

The factor analysis on work alienation revealed two reliable dimensions (KMO = 0.833 and Bartlett Bartlett’s Test significant at .000 level) powerlessness and self-estrangement, which explained 40 per cent of the total variance. The third dimension which was named meaninglessness was not reliable therefore is not included in further analyses.

The analysis on materialism revealed a single reliable dimension (KMO = 0.812 and Bartlett Bartlett’s Test significant at .000 level) explaining about 28 per cent of the total variance.

The correlation analysis shows that affective commitment is significantly correlated with all the other variables except for materialism and extrinsic work values (Table 1). While affective commitment is negatively correlated with both of the work alienation dimensions it is positively correlated with intrinsic work values. Continuance commitment on the other hand is positively correlated with powerlessness, materialism and intrinsic work values.

<table>
<thead>
<tr>
<th>Table 1 Correlations, Means and Standard Deviations</th>
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<tbody>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Affective commitment</td>
</tr>
<tr>
<td>Continuance commitment</td>
</tr>
<tr>
<td>Weak commitment</td>
</tr>
<tr>
<td>Self Estrangement</td>
</tr>
<tr>
<td>Powerlessness</td>
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<tr>
<td>Materialism</td>
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<tr>
<td>Intrinsic work</td>
</tr>
<tr>
<td>Extrinsic work</td>
</tr>
<tr>
<td>Std. Dev.</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).
Hierarchical regression analyses show that affective commitment is predicted by intrinsic work values, powerlessness and self-estrangement dimensions of work alienation. The prediction that work alienation would mediate the relationship between work values and commitment is not supported since neither powerlessness nor self-estrangement has blocked the effect of intrinsic work values on affective commitment (see Table 2). This finding shows that intrinsic work values are strong predictors of commitment. Similarly analyses regarding the prediction of continuous commitment have shown no sign of a mediation effect of powerlessness between intrinsic work values and continuous commitment. One important finding is that, as predicted, materialism and powerlessness have positive effects on continuous commitment (Table 3).

Table 2 Regression Analysis – Predicting Affective Commitment

<table>
<thead>
<tr>
<th>MODEL</th>
<th>$R^2$</th>
<th>$R^2_{adj}$</th>
<th>Δ $R^2$</th>
<th>F</th>
<th>Δ F</th>
<th>$P_{model}$</th>
<th>$\beta$</th>
<th>t</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1</td>
<td>.040</td>
<td>.034</td>
<td>.040</td>
<td>6,342</td>
<td>6,342</td>
<td>.013</td>
<td>Intrinsic Work Val.</td>
<td>.201</td>
<td>2,518</td>
</tr>
<tr>
<td>Model 2</td>
<td>.281</td>
<td>.271</td>
<td>.241</td>
<td>29,321</td>
<td>50,23</td>
<td>.000</td>
<td>Intrinsic Work Val.</td>
<td>.193</td>
<td>2,787</td>
</tr>
<tr>
<td>Model 3</td>
<td>.324</td>
<td>.311</td>
<td>.043</td>
<td>23,829</td>
<td>9,516</td>
<td>.002</td>
<td>Intrinsic Work Val.</td>
<td>.156</td>
<td>2,273</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Powerlessness</td>
<td>-.491</td>
<td>-7,087</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Self Estrangement</td>
<td>-.229</td>
<td>-3,085</td>
</tr>
</tbody>
</table>

Independent variables: Intrinsic Work Values and Work Alienation
Dependent variable: Affective Commitment
* p < .05, ** p < .001

Table 3 Regression Analysis – Predicting Continuous Commitment

<table>
<thead>
<tr>
<th>MODEL</th>
<th>$R^2$</th>
<th>$R^2_{adj}$</th>
<th>Δ $R^2$</th>
<th>F</th>
<th>Δ F</th>
<th>$P_{model}$</th>
<th>$\beta$</th>
<th>t</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1</td>
<td>.070</td>
<td>.064</td>
<td>.070</td>
<td>11,251</td>
<td>11,251</td>
<td>.001</td>
<td>Intrinsic Work Val.</td>
<td>.265</td>
<td>3,354</td>
</tr>
<tr>
<td>Model 2</td>
<td>.118</td>
<td>.106</td>
<td>.048</td>
<td>9,894</td>
<td>8,008</td>
<td>.005</td>
<td>Intrinsic Work Val.</td>
<td>.258</td>
<td>3,343</td>
</tr>
<tr>
<td>Model 3</td>
<td>.158</td>
<td>.141</td>
<td>.040</td>
<td>9,182</td>
<td>6,962</td>
<td>.009</td>
<td>Intrinsic Work Val.</td>
<td>.260</td>
<td>3,436</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Materialism</td>
<td>.191</td>
<td>2,499</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Powerlessness</td>
<td>.202</td>
<td>2,638</td>
</tr>
</tbody>
</table>

Independent variables: Intrinsic Work Values, Materialism and Work Alienation
Dependent variable: Continuance Commitment
* p < .05, ** p < .001

Conclusion

This study was developed on the premise that a simultaneous investigation of values, materialism, and work alienation will provide insight on the interrelationships among distal and proximal antecedents of organizational commitment. Current analysis is also among a few studies which utilized work alienation as a major predictor of organizational commitment. Findings support the contention that organizational commitment does not form a uniform structure, each dimension being affected by different factors.
One of the important findings regarding organizational commitment is about its factor structure. Although the cross-cultural implications of organizational commitment have been tackled in previous research, the finding that affective and normative commitment unites in a single dimension has not been found in previous studies. In a meta-analysis of the literature, Fischer and Mansell (2009) have revealed that continuance commitment was not clearly differentiated from other types of commitment in more hierarchical contexts, however did not mention the grouping of affective and normative commitment items. This finding may be unique to the Turkish context since recently it is being argued that Turkish culture is becoming more conservative, which puts emphasis especially on normative values. Since normative values are becoming more important for the society it may be that these normative structures influence the evaluation of employees work environment as well even interfering with their affective orientations. This also verifies the contention that there are spillover effects between measurements of organizational commitment dimensions (Fischer and Mansell, 2009). In contrast to the telescopic structure of affective and normative commitment items continuous commitment emerged as a distinct dimension.

The assumption that work alienation would have positive impact on organizational commitment regardless of work values and materialism is not supported. This shows that work values which might seem quite distal to work related attitudes are in fact basic predictors of attitudes. An important finding that should be discussed is that materialism only had an effect on the continuous commitment dimension. Those who place greater importance to material things in life seem to be committed to their organization due to lack of job alternatives etc. This finding is meaningful since materialists want to acquire better things in life and therefore would be expecting greater financial benefits and rewards from their organizations. Since Turkey has been undergoing change and still trying to recover from the effects of the 2008 financial crisis, it is reasonable that materialist employees would not be satisfied with their pay and therefore would be willing to change organizations if there were alternatives which offered better incentives.

It was also found that both self-estrangement and powerlessness dimensions of work alienation were negatively associated with affective commitment. This supports the argument that work alienation is an inverse affect orientation towards the work environment. Therefore, it is suggested that the factor structures of commitment and alienation be evaluated conjointly for any overlaps in content in future studies.

Concerning work values, intrinsic work values yielded positive effects on both dimensions of commitment, with the greatest effect on continuance commitment. This may be tied to the prediction that those employees valuing intrinsic values would prefer not to stay with organizations that do not provide opportunity for growth and independence which have intrinsic connotations.

References


ATTENUATING HRM’S IMPACT:
MODERATING EFFECTS OF AGE AND MAINTENANCE-
ENHANCING HR PRACTICES ON WORK OUTCOMES

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ABSTRACT

This paper conceptually develops two distinct bundles of growth- and maintenance-enhancing HR practices guided by tenets of lifespan developmental psychology. Combining macro and micro perspectives of strategic human resource management and applied psychology we drawing on social exchange theory and emotion regulation processes to hypothesize (a) a main effect of growth-enhancing practices on affective organizational commitment, (b) main effects of both bundles of HR practices on in-role behavior, and (c) moderating effects of age and maintenance-enhancing practices on work outcomes such that increasing employees’ age attenuates the positive impact of HR practices. Results of a multilevel study comprising 600 employees and their direct supervisors of 59 business units provide evidence for the hypothesized main effects on affective commitment and the interaction between age and maintenance-enhancing practices on work outcomes. We discuss the results, theoretical contributions, future research directions, and practical implications.

Key words: strategic human resource management, social exchange theory, multilevel, emotion regulation, lifespan development.

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INTRODUCTION

Organizations implement broad arrays of human resource (HR) practices to align workforces’ goals and values with their objectives and to direct corresponding workers’ discretionary effort, creativity, and productivity (e.g., Arthur, 1994; Becker & Gerhart, 1996; Delery & Shaw, 2001; Guest, 2002; Wright & McMahan, 1992). A large body of research has provided compelling evidence for the association between HR systems and organizational performance (e.g., Arthur, 1992; Guthrie, 2001; Huselid, 1995; Ichniowski, Shaw, & Prennushi, 1997; MacDuffie, 1995; Younkt, Snell, Dean, & Lepak, 1996). It has widely been acknowledged that HR practices typically lack independence and are oftentimes intertwined (Becker, Huselid, Pickus, & Spratt, 1997; Delery, 1998; MacDuffie, 1995). Accordingly, research in the realm of strategic human resource management (SHRM) characteristically takes a systems view in its approaches of investigating the relationships between patterns of HR practices and outcome measures (Delery & Doty, 1996; Lepak, Liao, Chung, & Harden, 2006). Although the crucial role of workers’ perceptions of HR practices, as compared to managerial intentions, has repeatedly been pronounced (Boswell, Colvin, & Darnold, 2008; Bowen & Ostroff, 2004; Kehoe & Wright, 2010; Nishii & Wright, 2008; Wright & Boswell, 2002), the various conceptualizations of HR systems implicitly regard workforces as an organizational element, which responds to human resource practices in uniform and invariable ways. By and large, in its endeavors to model organizational effectiveness theoretical and empirical SHRM research has largely neglected workforce differences between and variability within organizations (Nishii & Wright, 2008). Yet, not organizations perform but rather individuals within organizations perform in ways that allow organizations to achieve desirable effectiveness and performance outcomes (Kozlowski & Klein, 2000; Wright & McMahan, 1992). Acknowledging this notion draws the attention to workforce’s centrality and variability.

Indeed, workforce structures in nearly all countries of the developed world are currently subject of fundamental changes due to increasing life expectancy and declining birth rates (e.g., Kyogoku, 2008; OECD, 2006; Toossi, 2009; Vaupel & Loichinger, 2006). As a result, organizations’ human resources will, on average, be composed of larger proportions of older employees and hence display increasing mean age. Research findings in the field of lifespan developmental psychology have provided sound evidence for developmental dynamics that impact on basic human properties such as motivation, personality, and values and goals (e.g., Baltes, Lindenberger, & Staudinger, 2006; Baltes, Staudinger, & Lindenberger, 1999; Carstensen, Isaacowitz, & Charles, 1999; Heckhausen, Wrosch, & Schulz, 2010). Such age-related changes have recently gained growing research attention in the field of HR management (e.g., Bal, de Lange, Jansen, & Van Der Velde, 2008; Kooij, Jansen, Dikkers, & de Lange, 2009; Ng & Feldman, 2008, 2010; Zacher & Frese, 2011) and are, in line, considered to be substantial in work context (Grant & Wade-Benzoni, 2009; Kanfer & Ackerman, 2004). However, consequences of these fundamental structural changes of the human assets (Coff, 1997) for the development and deployment of HR systems for organizations’ competitive ability (Barney, 1996; Koch & McGrath, 1996; Wright, McMahan, & McWilliams, 1994) have not been addressed. To enhance the understanding of the mechanisms eventually connecting HR management and organizational effectiveness it has been called for research that overcomes the “chasm” that has divided macro and micro perspectives of the involved research disciplines (Molloy, Ployhart, & Wright, 2011; Ployhart & Moliterno, 2011). One such avenue is to apply macro goals to micro research and “study multiple HR practices or systems and their impact on individuals.” (Wright & Boswell, 2002, p. 263). We contend that HR systems that principally take individual workers’ age-related
changes into account will contribute to both theory development and managerial practice. A better understanding of age-related moderating influences on the involved individual-level processes such as work-related attitudes and behaviors that have been shown to mediate the HR systems—organizational performance link (e.g., Gong, Law, Chang, & Xin, 2009; Kehoe & Wright, 2010; Macky & Boxall, 2007; Nishii, Lepak, & Schneider, 2008) will help advance to theoretically model the causal chain of SHRM. Furthermore, according insights will allow deriving rationales for practitioners who are challenged to ensure organization’s effectiveness in times of structural workforce changes.

The present study is directed to contribute to fill this gap and extend the extant literature. First, we conceptually develop two distinct bundles of HR practices essentially building on employees’ perceptions, i.e. growth-enhancing and maintenance-enhancing HR practices. Following, we hypothesize and empirically examine the bundles’ relationships with attitudinal and behavioral work outcomes. In detail, we assert that the bundle of growth-enhancing HR practices predominantly relates to the work-related attitude of affective organizational commitment. In contrast, we argue that each of both bundles growth- and maintenance-enhancing HR practices affect in-role behavior as well as affective organizational commitment. Building on developmental dynamics reported by research in lifespan psychology, we furthermore contend that employees’ chronological age serves as a significant moderator for the associations between the bundles of HR practices and work outcomes. Figure 1 summarizes our hypothesized research model which following we develop in detail. We conclude by discussing the results, the theoretical contributions, future research directions, and practical implications.
Business Unit Level

HR system
- Growth-enhancing practices
- Maintenance-enhancing practices

Individual Level

- Age

Work outcomes
- Organizational commitment
- In-role behavior

*Figure 1.* Hypothesized research model.
THEORETICAL FRAMEWORK AND HYPOTHESES

Bundles of HR practices reflecting lifespan developmental principals

Human resource practices can complement, substitute for, or conflict with other practices (Delery, 1998; MacDuffie, 1995). Rather than to focus on the effects of single and separate HR practices, as typically done by pure micro research, the prevailing macro perspective in HR management involves the examination of HR practices’ contingencies and configurations (Delery & Doty, 1996; Lepak & Snell, 1999). Various conceptual and empirical approaches have been directed to capture theoretically meaningful and practically beneficial patterns of practices (Wright & Boswell, 2002). For example, Huselid (1995) identified a two factor structure subsuming thirteen practices as “employee skills and organizational structures” or “employee motivation”. Lawler (1992) introduced a conceptualization of HR management on the basis of power, information sharing, rewards, and knowledge/skills (PIRK). MacDuffie (1995) linked practices to their conditions for economic performance embracing “skill/knowledge,” “motivation/commitment,” and “integration with production system/strategy”. In turn, this taxonomy provided the basis for the AMO framework classifying HR practices into highly comparable categories of “knowledge, skills, and abilities”, “motivation”, and “opportunities”/“empowerment” (e.g., Boxall & Purcell, 2003; Delery & Shaw, 2001; Lepak et al., 2006). All these examples of prevalent HR system conceptualizations concurrently aim at arranging numerous singular HR practices that jointly constitute an HR system, hence their horizontal fit (Delery & Doty, 1996). These are complemented by approaches that chiefly seize HR systems by their vertical fit (Delery & Doty, 1996) and align practices by the organization’s objectives, strategy, or contextual factors such as, for example, high performance (Huselid, 1995), high commitment (Arthur, 1994), high involvement (Lawler, 1992), or control HR systems (Walton, 1985), and, respectively, an HR system for occupational safety (Zacharatos, Barling, & Iverson, 2005).

Irrespective of variations in content and methodological foundations of extant HR system conceptualizations, it has been demonstrated that processes of social exchanges (Blau, 1964) mediate the HR system—organizational performance link (e.g., Evans & Davis, 2005; Sun, Aryee, & Law, 2007; Takeuchi, Lepak, Wang, & Takeuchi, 2007). Multilevel in nature, these findings empirically reveal the involvement of individual-level processes affecting organizational outcomes, in what Nishii and Wright (2008) refer to as the causal chain of HR systems. In more detail, Blau (1964) describes that social exchanges entail obligations. That is, when one person does another a favor, there is an expectation of some future return, albeit oftentimes it remains unclear exactly when and in what form the obligation will be repaid. This general norm of reciprocity (Gouldner, 1960) denotes a mutually beneficial exchange that has provided the basis for theory development explaining such processes taking place on the individual level in workplace settings (Cropanzano & Mitchell, 2005). Consequently, various studies have recently focused on the perception of HR practices by employees and, in turn, their implications for outcomes (e.g., D. G. Allen, Shore, & Griffeth, 2003; Kinnie, Hutchinson, Purcell, Rayton, & Swart, 2005; Kuvaas, 2008; Nishii et al., 2008; Whitener, 2001). For example, Nishii and colleagues (2008) argued with respect to issues of social cognition, “we can expect that not all employees will interpret HR systems similarly. This suggests that the effect of HR practices is not likely to be automatic and always as expected; instead, their effect will reside in the meanings that employees attach to those practices” (p. 504). Since the alignment of organization’s and workforce’s values and goals constitutes one of SHRM’s cardinal objectives, we believe that taking fundamental dynamics pertaining to individuals’ goals and values into account will help conceptualize and, in turn, adjust HR
systems and support organizational effectiveness, particularly given that workforce structures are altering in relevant ways. Drawing on central tenets of lifespan developmental psychology we propose two bundles of HR practices that primarily take employees’ age-related developmental principals into account. Indeed, individual’s goals and values are subject of lifelong changes (Baltes et al., 2006; Heckhausen et al., 2010). Throughout their life course individuals adjust to, take advantage of, or cope with opportunities and constraints they face, and accordingly allocate their variably available resources, e.g. biological, social, or cognitive in nature (Heckhausen et al., 2010). Over the entire lifespan, the balance of gains and losses, which both are experienced throughout life, undergo a fundamental shift as, on average, resources increasingly diminish (Baltes, 1987, 1997). For example, it has been demonstrated that fundamental motives such as the desire to obtain a future positive outcome, i.e. to acquire, and to avoid losing an existing positive condition, i.e. to keep, exhibit age-related trajectories (Ogilvie, Rose, & Heppen, 2001). Ogilvie and colleagues’ (2001) findings substantially support that, albeit decreasing, a general orientation toward acquiring gains remains prevailing across all age groups. In contrast, efforts to retain achievements, which are insignificant in adolescent ages, continuously increases approximating to measure up to the former dominating motive in more mature life stages. As a result, personal goal orientation commensurately changes from predominantly striving for gains in younger ages to maintenance and prevention of loss in more mature ages (Ebner, Freund, & Baltes, 2006). Against this backdrop and in agreement with Whitener (1997) and Rousseau and Wade-Benzoni (1994) we assert that HR practices represent important elements in social exchange processes between organizations and employees, as they embody organizational resources providing workers with chances for growth, gains, and expansion as well as for maintenance, conservation, and prevention of losses. We argue that HR practices, from employee’s perspective, are likely to be perceived as either predominantly growth-enhancing or, alternatively, maintenance-enhancing in appearance and character. Consequently, we form two corresponding bundles of HR practices. First, we subsume training, internal promotion, participation programs, performance appraisal, incentive compensation, information sharing, grievance procedures, and selectivity into one bundle we refer to as growth-enhancing HR practices. In detail, training programs are likely to be viewed by employees as chances to extend the own knowledge, gain skills, and attain competences. By internal promotion opportunities employees will envision options to acquire new responsibilities and broaden their field of activities and duties, supported by the perceived degree of organizations selectivity. Performance appraisals motivate individuals by reviewing and valuing present or past behaviors to develop more efficacious proceedings, which are positively reinforced when achieved. Participation programs support workers in making own decisions in their job, get involved in organizational decisions, and encourage improvement suggestions, thus predominantly support progressive goal orientations. Sharing job or business-related information with workers not only grants orientations but rather endorses individuals to grow interest and engagement. Grievance procedures help remove barriers and facilitate work processes that enable employees do their job. Although in principal all these HR practices, especially with respect to grievance procedures, can of course, to certain degrees, also ensure to sustain levels of former achievements, they will primarily be sensed as inducements (March & Simon, 1958) to drive the own work-related improvement, enlargement, development, and advancement. Second, in contrast to growth-enhancing practices we group employment security, flexible working hours, and compensation level into another bundle we denote as maintenance-enhancing HR practices. HR practices such as job security, working hour flexibility, and, at least largely, level of fixed compensation represent organizational practices that, from the individual perspective, activate motivational notions of maintenance, preservation, protection, or avoidance of loss. Employees likely observe the extent to which
they are entitled to keep their job, to make fundamental decisions on temporal aspects of their job fulfillment, and to rely on the level of their regular income as areas that are primarily to be upheld.

Following we elaborate on the relationships these two bundles of HR practices hold with work outcomes and workers’ chronological age.

Relationships between bundles of HR practices, work outcomes, and employee age

In contrast to research approaches that regard HR practices explicitly from the employer’s perspective (e.g., Shaw, Dineen, Fang, & Vellella, 2009; Tsui, Pearce, Porter, & Tripoli, 1997), various research efforts primarily take workers’ viewpoints into consideration, thus focus on the individual level. The latter have provided concepts that help understand the processes of exchange relationships between employees and organizations such as perceived organizational support (POS; Eisenberger, Huntington, Hutchison, & Sowa, 1986) and psychological contracts (Rousseau, 1989, 1995). Congruently, these distinct conceptualizations examine processes linking various kinds of organizational inducements to individual-level work outcomes by adopting a social exchange framework (e.g., Dulac, Coyle-Shapiro, Henderson, & Wayne, 2008; Eder & Eisenberger, 2008; Eisenberger, Armeli, Rexwinkel, Lynch, & Rhoades, 2001; Eisenberger, Cummings, Armeli, & Lynch, 1997; Settoon, Bennett, & Liden, 1996; Wayne, Shore, & Liden, 1997). In particular, POS seizes employees’ “beliefs concerning the extent to which the organization values their contributions and cares about their well-being” (Eisenberger et al., p. 500). Based on mechanisms of social exchanges (Blau, 1964) and the reciprocity norm (Gouldner, 1960), organizational support theory (Eisenberger et al., 1997; Eisenberger et al., 1986) puts forward that organizational inducements, e.g. HR practices, elicit employee’s perceptions of organizational support, which subsequently exert their commensurate requital. In line, HR practices such as voice, pay, promotion, job security, autonomy, and training have been shown to co-determine POS to differing extents, which, in turn, influences outcomes such as affective organizational commitment and in-role performance (Rhoades & Eisenberger, 2002). It is important to notice, however, that individual work-related outcomes differ distinctly from one another considering the involvement of affective, cognitive and behavioral aspects. With regards to work motivation processes core affective experiences are seen to influence judgment components that, in sum, eventually determine actual behaviors (Forgas & George, 2001; Seo, Barrett, & Bartunek, 2004). Acknowledging this notion, our expectations regarding the relationships between the bundles of HR practices and affective organizational commitment, i.e. a straight affective work outcome, and in-role behavior, i.e. a behavioral outcome, are dissimilar and explicated consecutively.

First, affective organizational commitment refers to employees' emotional attachment to, identification with, and involvement in, the organization (N. J. Allen & Meyer, 1990) and thus captures emotions and moods. The bundle of growth-enhancing HR practices seems likely to elicit in particular affect-based reactions involving emotions and moods that are associated with chances for gains, attainment, and development as these are likely to be appraised as predominantly positive events (cf. Weiss & Cropanzano, 1996). We expect employees to respond to growth-enhancing practices with feeling obligations and positive mood. Positive mood, which involves feelings of enthusiasm, excitement, and alertness (Watson, Clark, & Tellegen, 1988) and felt obligations have been demonstrated to mediate the POS—affective commitment relationship (Eisenberger et al., 2001). In contrast, the involved maintenance-enhancing practices are likely to elicit motivational notions of preservation, protection, and avoidance of loss. As a result, and in line with the affective events theory (AET; Weiss & Cropanzano, 1996), we assume that the according appraisals will encompass
a more balanced mixture of affective valences, countervailing positive affect (e.g., sense of security to be employed, appreciation of explicitly acknowledged extra hours, reassurance of reliable income) against negative affect (e.g., fear to lose the job, rejection of being closely controlled when to begin and end working hours, or disappointment of not being considered at the pay raise). Hence, we do not expect the bundle of maintenance-enhancing HR practices to be associated with affective organizational commitment. We therefore formulate

Hypothesis 1: The bundle of growth-enhancing HR practices is positively associated with affective organizational commitment.

Second, in-role performance refers to behavior directed toward formal tasks, duties, and responsibilities such as those included in a job description (Williams & Anderson, 1991) and primarily involves behavioral aspects. Positive and negative affective experiences that result from the perception of HR practices have been suggested to be processed with those cognitive processes that are involved in making judgments, i.e., expectancy, utility, and progress judgments, to eventually spawn tangible behaviors (e.g., Seo et al., 2004). Both growth-enhancing practices such as, for example, participation, promotion and training as well as maintenance-enhancing practices such as pay and job security, have been demonstrated to elicit employees’ obligations to reciprocate (D. G. Allen et al., 2003; Rhoades & Eisenberger, 2002; Wayne et al., 1997). Moreover and in line, it has been argued that feelings of indebtedness that come from rewards will result in engaging reciprocal behaviors (Greenberg, 1980). Accordingly, we assume

Hypothesis 2: The bundle of growth-enhancing HR practices is positively associated with in-role behavior.

Hypothesis 3: The bundle of maintenance-enhancing HR practices is positively associated with in-role behavior.

Perceived obligations resulting from social exchanges are interpretable and contingent on motivational factors, goals, and norms of the involved parties (Clark & Mills, 1979, 1993). For example, the extent to which employees’ obligation to return perceived favorable treatments by the organization is contingent on the degree of perceived discretion of the organizational inducement in the sense that the organization is not obligated to offer the practice to everyone (Eisenberger et al., 1986; Shore & Shore, 1995). Similarly, the degree of individuals’ beliefs that it is appropriate and useful to base their concern with the organization’s welfare and their work effort on how favorably they have been treated by the organization, thus the exchange ideology, moderates felt obligations (Eisenberger et al., 2001; Eisenberger et al., 1986). The HR practices forming the growth-enhancing and maintenance-enhancing bundles are likely to elicit distinct types of employees’ affective reactions contingent on their idiosyncratic appraisal. Growth-enhancing practices will predominantly trigger positive affect states, emotions, or moods since they will be perceived as chances for attainments and improvements, which represent elements of a fundamental and sustaining positive motivational category (Ogilvie et al., 2001). Job-related achievement, advancement, and growth are predominantly represent positive work values (Elizur, Borg, Hunt, & Beck, 1991). Maintenance-enhancing practices, in comparison, will, in sum, generate more balanced affective reactions, complementing positive ones with more neutral or negative affect such as concern, fear, or strain. For example, the threat of being laid off may cause such undesirable emotions. However, individuals are by no means limited to be passive recipient of such emotions but are rather seen to actively modulate, amplify, or attenuate emotional states (Côté, 2005; Hochschild, 1979). Such emotion regulation includes all of the efforts to increase, maintain, or decrease one or more components of an emotion (Gross, 1998b). Emotion regulation is pervasive and helps individuals to handle their emotions actively and
appropriately with a broad array of options including antecedent- and response-focused emotion regulation (Gross, 1998a, 1999). Age-related differences in the abilities and patterns of emotion regulation have been documented (Carstensen, Fung, & Charles, 2003; Charles & Carstensen, 2007; Gross et al., 1997). As compared to their younger colleagues, older adults have been shown to engage in more downward and less upward social comparisons (Heckhausen & Krueter, 1993), exhibit more flexibility pertaining to goal adjustment (Brandstätter & Renner, 1990), apply more positive reappraisals (Folkman, Lazarus, Pimley, & Novacek, 1987), express fewer concerns about finances (Powers, Wisocki, & Whitbourne, 1992), feel less anger (Schieman, 1999), and report less negative affect, whereas positive affect remains stable (Charles, Reynolds, & Gatz, 2001). In line, older individuals have been suggested to gradually more tolerate deviations of their psychological contract (Bal et al., 2008; Ng & Feldman, 2009). In sum, by actively applying means of emotion regulation, more mature individuals successfully maximize gains and minimize threats and constraints and thus, how Carstensen et al. (2003, p. 119) put it, “selectively construct a social and cognitive world that maximizes emotional payoffs.” Accordingly, we expect

**Hypothesis 4:** Employees’ chronological age moderates the association between the bundle of maintenance-enhancing HR practices and organizational commitment such that the positive impact of practices on organizational commitment will be attenuated for older employees.

**Hypothesis 5:** Employees’ chronological age moderates the association between the bundle of maintenance-enhancing HR practices and in-role behavior such that the positive impact of practices on in-role behavior will be attenuated for older employees.

**METHOD**

**Participants**

We examined our hypotheses in 64 distinct business units of 15 organizations throughout Germany and Austria representing a broad range of industries, covering retail, consumer goods and services, public administration, utilities, manufacturing, and financial services. The business units accounted for an overall of 600 participants (86.6% full-time, 13.4% part-time) whose work performance was individually assessed by their respective direct supervisors. 30.8% of the participants were employed by public organizations, 69.2% worked for private businesses. On average, they were 41.4 years of age ($SD = 11.1$), had been with their respective organizations for 12.5 years ($SD = 10.0$), and held their current position for 7.2 years ($SD = 7.5$). 38.7% had obtained at least a master’s degree level education, 7.4% had at least a high school diploma. The distribution of gender was with 54.5% males and 45.5% females nearly balanced.

**Procedure**

Organizations were initially contacted either directly by the first author of this study, by the regional Chambers of Commerce and Industry, or Employer’s Associations supporting the investigation. In either case, after receiving first general information in written form, an organization’s representative in charge was contacted by telephone and individually briefed on the details of the study. Participating organizations were rewarded with a summary of the results of the study. Upon the stipulation of data protection and non-disclosure agreements organizations chose potential participants among their personnel and provided general information on the survey’s background, goals, and data security issues. To avoid self-selectivity biases (Heckman, 1979), only general information, i.e. the investigation of work-
related preferences and conditions in a continuously changing work environment was yielded. Organizations were instructed to select a sample of participants as representative of their respective workforce as possible, ideally drawing a random sample covering all available business units and hierarchical levels.

After an initial trial run of 98 completed surveys which aimed at testing the questionnaire for ease of understanding and technical operability, the wording of few items and instructions was eventually improved. The test run was conducted in March 2009. Subsequently, the data collection took place between June and October 2009. After receiving contact information on the potential participants, which included family name, first name, exact position, business unit, gender, as well as the direct supervisor’s name and contact information individual invitations were issued. In a first step, invitations directed at employees were either distributed, preferably, by e-mail or, alternatively, by written letter, which were delivered by the employing organization in closed envelopes. One single organization disseminated the survey invitations in the form of individualized, sealed, written letters containing identical information and a URL including a personalized code that provided access to the online questionnaire. A computer with internet access was made available to employees by this organization. In a second step, upon return of the employees’ completed surveys each employee’s supervisor was delivered a personalized invitation to assess the respective employee’s work performance. Superiors supervising more than one participating employee received separate survey invitations for each staff member. Invitations as well as individual questionnaires provided the full name of the relevant worker who was subject to assessment. To achieve maximum response rate, the research group’s independence was emphasized and the absolute anonymity of the subsequent data analyses was assured.

Normally, employees and supervisors received personalized invitations providing individualized links or URLs to access online questionnaires. These were allowed to be repeatedly accessed from work or private computers for a two week period, thus interruptions and resumptions were possible. A single reminder was sent one week after the initial invitation. Upon completion, the questionnaires were no longer accessible. Exceptionally, the workers and supervisors of two business units (shop workers and kindergarten teachers) with no internet access at their work place were provided with paper-and-pencil versions of the according questionnaires each including a franked envelope addressed to university premises. 6.7% (3.2%) of the employees (supervisors) filled in a paper-and-pencil questionnaire, while 93.3% (96.8%) answered the questions online.

On average, each organization accounted for 40.0 participants ($SD = 29.4$), each business unit consisted of a mean of 9.4 employees ($SD = 10.5$). The response rates of the respective organizations ranged between 30.5% and 86.7% ($M = 60.2$). The online questionnaires addressing the employees were completed within a mean time of 29.9 minutes ($SD = 17.7$); supervisors’ questionnaires were answered within a mean time of 1.8 minutes ($SD = .9$).

To control for common method variance (CMV; Podsakoff, MacKenzie, Lee, & Podsakoff, 2003), we obtained data of predictor and criterion variables from different sources where applicable. All predictor variables were gained by employees whereas the criterion data comprising work performance assessments were acquired from employees’ direct supervisors. Further, to reduce CMV the participants’ anonymity with respect to their employer was assured. With regards to the questionnaire, the online version counterbalanced the item positions within questions and the question sequence provided that disruption of the logic flow was obviated. The wording of items and instructions were kept simple, specific, and concise. Structural and descriptive data on the organizations was separately obtained from
two HR managers independently each per organization with regards to issues of measurement error (Gerhart, Wright, McMahan, & Snell, 2000).

**Measures**

Wherever practicable, constructs were measured by multiple-item scales. The procedures recommended by Brislin (2000) for survey translations across different languages were applied. First, the primary researcher, whose native tongue is German, created the English version of the questionnaire by adapting scales and items of previously used research projects published in English and subsequently translated them into German. The primary researcher and another German faculty member specialized in management research and proficient in English improved the translation through an iterative process during which concerns about discrepancies between the two language versions were identified and addressed. To validate the translation, we asked two German employees who in no way were affiliated with this research project to read through the German version and test its readability and ease of comprehension. All concerns were addressed before the questionnaire was pre-tested on the basis of 98 complete surveys.

**Human resource practices.** We assessed eleven HR practices that previous research had shown to be of relevance to organizational performance (Combs, Liu, Hall, & Ketchen, 2006). With respect to each of eight HR practices (i.e. compensation level, employment security, incentive compensation, internal promotion, participation programs, performance appraisal, selectivity, and training), four separate items were adopted that the given practices had been assessed with previously (Delery & Doty, 1996; Lepak & Snell, 2002). Flexible working hours and grievance procedures were operationalized by two-item scales each. Information sharing was measured by a single item. These items were in part adapted by previous research (Becker & Huselid, 1998; Wright, Gardner, Moynihan, & Allen, 2005) or, alternatively, developed by the authors. The complete list of items is provided in the appendix.

We compounded the scales of the HR practices grievance procedures, incentive compensation, information sharing, internal promotion, participation programs, performance appraisal, selectivity, and training to form growth-enhancing practices by calculating the respective mean values. Likewise, the HR practices compensation level, employment security, and flexible working hours were compounded to form maintenance-enhancing practices. We measured HR practices on the individual level and aggregated values for all analyses on the business unit level. The participants expressed the degree of their agreement the given statements on 5-point Likert-type scales ranging from 1 = *strongly disagree* to 5 = *strongly agree*. In the present study, the internal consistency produced an alpha coefficient for the scale measuring compensation level of .65, employment security .84, incentive compensation .72, internal promotion .59, participation programs .79, performance appraisal .92, selectivity .82, training .84, flexible working hours .91, and grievance procedures .60, respectively. The compounded bundles received a reliability of alpha of .88 for growth-enhancing HR practices and .77 for maintenance-enhancing HR practices.

**In-Role Behavior.** We assessed employees’ in-role behavior applying four items used and factor analytically tested by Williams and Anderson (1991). The chosen items held the highest loadings on the factor in-role behavior. Items were “He/she adequately completes assigned duties,” “He/she fulfills responsibilities specified in the job description,” “He/she performs tasks that are expected of him/her,” and “He/she meets formal performance requirements of the job.” The direct supervisors rated the degree to which they agreed with each of the items on a scale ranging from 1 = *strongly disagree* to 5 = *strongly agree*. In this
study, this scale measuring in-role behavior achieved a reliability level with a Cronbach's alpha of .90.

**Affective organizational commitment.** Employees’ organizational commitment was measured with six items developed by Meyer, Allen, and Smith (1993) that reflect the affective commitment to the respective organization. The items correspond to the organizational commitment scales previously reported by Allen and Meyer (1990). Sample items included “This organization has a great deal of personal meaning for me,” “I do feel like ‘part of the family’ at my organization,” and “I do feel a strong sense of ‘belonging’ to my organization.” The German version of this scale that had previously been validated (Schmidt, Hollmann, & Sodenkamp, 1998) was adopted for this study. Employees expressed their agreement to the specified items on a 5-point scale ranging from 1 = *strongly disagree* to 5 = *strongly agree*. In this study, the used organizational commitment scale achieved a reliability of alpha of .92.

**Control Variables.** We included job complexity and job satisfaction as control variables in all our analyses. Prior studies have demonstrated that these variables are potential predictors of individual job performance (Iaffaldano & Muchinsky, 1985; Judge, Thoresen, Bono, & Patton, 2001; Sturman, Cheramie, & Cashen, 2005) and affective organizational commitment (Mathieu & Zajac, 1990; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). Job complexity was assessed by the job complexity scale that is part of the Work Design Questionnaire (Morgeson & Humphrey, 2006) on a 5-point scale ranging from 1 = *strongly disagree* to 5 = *strongly agree* (alpha .83). Job satisfaction was measured with six items selected from the original 18-item index developed by Brayfield and Rothe (1951). The validity and reliability of this six-item, global satisfaction index have been demonstrated in previous studies (Agho, Price, & Mueller, 1992; Brooke Jr, Russell, & Price, 1988). Participants expressed the degree of their agreement to the given statements on a 5-point scale ranging from 1 = *strongly disagree* to 5 = *strongly agree* (alpha .89).

**Level of Analysis**

In the present study, we treated the bundles of HR practices as group level variables because we were interested in the effects of organizational practices on the business units as a whole. It has been argued that HR practices consist of actual programs, processes, and techniques that are operationalized in the unit (e.g., Boswell et al., 2008; Kehoe & Wright, 2010; Lepak et al., 2006). As a consequence of this translation process from HR policies to practices measurement error accumulates at least in part due to obvious variations in practices across the organization (Gerhart et al., 2000; Huselid & Becker, 2000). We focused on the lowest level of abstraction in the HR system (Becker & Gerhart, 1996; Boswell et al., 2008; Colbert, 2004), i.e. the employees’ perceived HR practices, which were aggregated on the business unit level. While we were interested in HR practices on the business unit level, we focused on in-role behavior, and affective organizational commitment on the individual level and hence investigated each as individual-level variable. Furthermore, we investigated age with its main and moderating effects on the individual level, on business unit level, as well as between these two levels. Our research model thus constitutes a cross-level model because we examine the relationships between HR practices, differences in average age between business unit, age differences between individuals with business units and performance behaviors as well as organizational commitment, and cross-level relationships of age and HR practices.

**Analysis Strategy**

Our research design constitutes a cross-level model. Consequently, we used hierarchical linear modeling (HLM) to test our hypotheses (Raudenbush, Bryk, Yuk, & Congdon, 2004). HLM allows conducting group mean analyses that make appropriate adjustments for group
size differences and accounts for dependence among individuals (Hofmann, 1997; Raudenbush et al., 2004). We used two-level HLM models to examine main as well as interaction effects of employees age and bundles of HR practices on workers’ in-role behavior and affective organizational commitment. For each of the dependent variables we calculated a series of multilevel models to assess the appropriateness of the modeled predictors and hypothesized conditional effects. In order to statistically test for differences of the model’s deviances we estimated parameters by applying full maximum likelihood technique since the models’ fixed parts altered (Kreft & De Leeuw, 1998). Following Bauer and Curran (2005), we decomposed or “probed” the conditional effects to better understand the structure of the relations (Aiken, West, & Reno, 1991). For plotting the conditional effects we followed Preacher, Curran, and Bauer (2006).

In the present study HR practices constitute level-2 (i.e., business unit-level) variables as compared to all outcome variables which are treated as level-1 (i.e., individual-level) variables and age which is introduced to the multilevel models on the both levels. In order to adequately decompose between-individual variance and between-business unit variance, age was group-centered on the individual level and grand-mean centered on the business unit level of the regression equation (Enders & Tofighi, 2007; Kreft, de Leeuw, & Aiken, 1995). All considered control variables as well as business unit-level variables were grand-mean centered. Before testing the hypotheses, we investigated whether multilevel analyses were in fact appropriate by examining within- and between-business unit variance in the variables (e.g., Bliese & Halverson, 1998). As shown in Table 1, the results indicated that a considerable proportion of the total variance in the variables was within the business units, ranging from 18.0% to 38.9%. This evidence of within-business unit variance supported proceeding with HLM, as there were both within- and between-business unit variances to explain.

Table 1.
Variance Components of Null Models for Bundles of HR Practices (Growth-Enhancing and Maintenance-Enhancing), Affective Organizational Commitment, and In-Role Behavior

<table>
<thead>
<tr>
<th>Variable</th>
<th>Within-business unit variance (level-1)</th>
<th>Between-business unit variance (level-2)</th>
<th>% variability between business units (level 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth-Enhancing HR practices</td>
<td>0.245</td>
<td>0.088</td>
<td>26.4%</td>
</tr>
<tr>
<td>Maintenance-Enhancing HR practices</td>
<td>0.359</td>
<td>0.229</td>
<td>** 38.9%</td>
</tr>
<tr>
<td>Organizational Citizenship Behaviour (individuals)</td>
<td>0.427</td>
<td>0.094</td>
<td>** 18.0%</td>
</tr>
<tr>
<td>In-Role Behavior</td>
<td>0.320</td>
<td>0.072</td>
<td>** 18.4%</td>
</tr>
<tr>
<td>Age</td>
<td>0.353</td>
<td>0.634</td>
<td>** 64.2%</td>
</tr>
</tbody>
</table>

Note. Percentage of variability between business units was computed by dividing the between-business unit variance by the total (between-individual + between-business unit) variance.
* equals ICC(1) (Bliese & Halverson, 1998)
** p < .05  " p < .01

RESULTS

The means, standard deviations, intercorrelations, and internal consistency reliabilities of the individual- and business unit-level variables are presented in Table 2. Two results seem noteworthy. First, although on the individual level the overall correlation between growth-enhancing and maintenance-enhancing HR practices achieves statistical significance (r = .18, p < .01), the relation between these two bundles on the between-business unit level is not (r =
.21, \( p = .10 \)). This finding supports our conceptual proceeding generating growth- and maintenance-enhancing bundles of HR practices on the business unit-level. Second, as expected job complexity and job satisfaction are substantially related with the criterion variables of in-role behavior \( (r = -.23, p < .01; r = .23, p < .01) \) and affective organizational commitment \( (r = -.11, p < .01; r = .54, p < .01) \), emphasizing the importance of controlling for these in all subsequent analyses. The HLM results testing the hypotheses are presented in Tables 3.

Table 2.

Means, Standard Deviations (SD), and Intercorrelations between Study Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>( M )</th>
<th>( SD )</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business unit variables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Growth-Enh. HR practices</td>
<td>3.18</td>
<td>.56</td>
<td>-.21</td>
<td>.45</td>
<td>.52</td>
<td>.14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Maintenance-Enh. HR practices</td>
<td>3.25</td>
<td>.77</td>
<td>.18 **</td>
<td>.42 **</td>
<td>.04</td>
<td>.03</td>
<td>.17</td>
<td></td>
</tr>
<tr>
<td><strong>Individual level variables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Job complexity</td>
<td>2.13</td>
<td>.88</td>
<td>.03</td>
<td>-.17 **</td>
<td>(.85 )</td>
<td>-.37 **</td>
<td>-.12 **</td>
<td>-.40</td>
</tr>
<tr>
<td>4. Job satisfaction</td>
<td>3.67</td>
<td>.77</td>
<td>.41 **</td>
<td>.23 **</td>
<td>.23 **</td>
<td>(.88 )</td>
<td>.65 **</td>
<td>.52</td>
</tr>
<tr>
<td>5. Affective organizational commitment</td>
<td>3.49</td>
<td>.93</td>
<td>.48 **</td>
<td>.28 **</td>
<td>.11 **</td>
<td>.54 **</td>
<td>(.92 )</td>
<td>.23</td>
</tr>
<tr>
<td>6. In-role behavior</td>
<td>4.35</td>
<td>.63</td>
<td>.07</td>
<td>.18 **</td>
<td>-.23 **</td>
<td>.23 **</td>
<td>.10</td>
<td>(.90 )</td>
</tr>
<tr>
<td>7. Age</td>
<td>41.42</td>
<td>11.14</td>
<td>-.09</td>
<td>.36 **</td>
<td>-.38 **</td>
<td>.27</td>
<td>.23</td>
<td>.13</td>
</tr>
</tbody>
</table>

* Note. Correlations above the diagonal represent between-business unit (aggregated) scores (level 2, \( n = 64 \)). Correlations below the diagonal represent between individual scores (level 1, \( n = 600 \)). Parenthetical values are reliabilities.

** \( p < .05 \) ** \( p < .01 \)

**Main effects**

To test the main effects predicted in Hypotheses 1, 2, and 3, we conducted a series of four regressions in HLM including the two bundles of HR practices on level 2 that predicted the according criterion variable. Hypothesis 1 predicted that one of the two bundles, i.e. growth-enhancing HR practices would be positively related to affective organizational commitment. Given that the two bundles may not be independent of each other, we calculated all regressions including both bundles. Model 4 and 5, displayed in Table 3, provide the main effects of the bundles of HR practices on affective organizational commitment. As a result, both model 4, which controls for job complexity and job satisfaction, and model 5, which additionally controls for age on individual- and business unit-level, the bundle of growth-enhancing HR practices has a significant impact on the criterion. In addition, the controls job satisfaction and age also significantly predict affective organizational commitment; maintenance-enhancing HR practices and job complexity have no relation to the criterion. A test comparing the model fit provides that model 5, although less parsimonious, fits the data significantly better. Hypothesis 1 is supported.

Hypotheses 2 and 3 predicted positive relations of growth-enhancing practices (H2) and maintenance-enhancing practices (H3) with in-role behavior. Analagous the preceding with respect to the organizational commitment as criterion, model 1 and 2 provide the results for the regressions predicting in-role behavior. Model 1, controlling for job complexity and job satisfaction, which both predict in-role behavior significantly, provides a significant relation between the bundle of maintenance-enhancing practices and in-role behavior, whereas no such link can be noted for growth-enhancing practices. However, additionally introducing age into the regression equation, which also significantly predicts the criterion on the individual-
level and, important to notice, significantly improves the model fit, dilutes the formerly substantial relation to a non-significant level. In the more appropriate model, that is model 2, neither growth-enhancing nor maintenance-enhancing practices significantly predict in-role behavior. Thus, Hypotheses 2 and 3 are not supported.
### Table 3

**Results of Cross-Level Analyses of Effects of Growth-Enhancing and Maintenance-Enhancing HR Practices, Affective Organizational Commitment, and In-Role Behavior**

<table>
<thead>
<tr>
<th>Variable</th>
<th>In-role behavior</th>
<th>Affective organizational commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
<td>Model 2</td>
</tr>
<tr>
<td>Intercept</td>
<td>$\gamma_{00}$</td>
<td>0.06</td>
</tr>
<tr>
<td>Business unit variables (level 2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growth-enh. HR practices$^a$</td>
<td>$\gamma_{01}$</td>
<td>0.07</td>
</tr>
<tr>
<td>Maintenance-enh. HR practices$^a$</td>
<td>$\gamma_{02}$</td>
<td>0.20 $^*$</td>
</tr>
<tr>
<td>Age$^a$</td>
<td>$\gamma_{03}$</td>
<td>0.11</td>
</tr>
<tr>
<td>Growth-enh. HR practices x age</td>
<td>$\gamma_{04}$</td>
<td>-0.15</td>
</tr>
<tr>
<td>Maintenance-enh. HR practices x age</td>
<td>$\gamma_{05}$</td>
<td>-0.33 $^*$</td>
</tr>
<tr>
<td>Individual-level variables (level 1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job complexity$^a$</td>
<td>$\gamma_{10}$</td>
<td>-0.12 $^{**}$</td>
</tr>
<tr>
<td>Job satisfaction$^a$</td>
<td>$\gamma_{20}$</td>
<td>0.16 $^{**}$</td>
</tr>
<tr>
<td>Age$^b$</td>
<td>$\gamma_{30}$</td>
<td>-0.10 $^{†}$</td>
</tr>
<tr>
<td>Cross-level interaction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Growth-enh. HR practices (L2) x age (L1)</td>
<td>$\gamma_{31}$</td>
<td>0.09</td>
</tr>
<tr>
<td>Maintenance-enh. HR practices (L2) x age (L1)</td>
<td>$\gamma_{32}$</td>
<td>-0.18 $^*$</td>
</tr>
<tr>
<td>Degrees of freedom - level 1</td>
<td>560</td>
<td>506</td>
</tr>
<tr>
<td>Degrees of freedom - level 2</td>
<td>58</td>
<td>57</td>
</tr>
<tr>
<td>Deviance</td>
<td>1525</td>
<td>1382</td>
</tr>
<tr>
<td>Number of estimated parameters</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Chi-square$^c$</td>
<td>--</td>
<td>143.5 $^{**}$</td>
</tr>
</tbody>
</table>

**Note.** All coefficients are standardized. $^a$ grand-mean centered $^b$ group-mean centered $^c$ result of model comparison test comparing to more parsimonious model $^{†} p < .10$ $^* p < .05$ $^{**} p < .01$
Moderation effects

To test the hypothesized moderation effects we entered the interaction terms into the regression in a third and final step, displayed in models 3 and 6 of Table 3. Tests statistically comparing model fits with those of more parsimonious models revealed that models comprising interaction terms fit data significantly better. Hypothesis 4 stated that age would moderate the relationship between maintenance-enhancing HR practices and organizational commitment such that the relationship would be weaker with increasing employee age. In the regression model predicting affective organizational commitment, i.e. model 6, the cross-level interaction between maintenance-enhancing HR practices and age on the individual-level was negative and significant. No such effect could be noticed for the interaction between maintenance-enhancing practices and business unit-level age, thus average age of business units. Figure 2 depicts the significant moderation effect demonstrating that maintenance-enhancing HR practices relate more negatively to organizational commitment for older employees, thus supporting Hypothesis 4.

Hypothesis 5 stated that age would moderate the relationship between maintenance-enhancing HR practices and in-role behavior such that would be weaker with increasing employee age. In the regression modeling in-role behavior, i.e. model 3 the both relevant interaction terms, the cross-level interaction between maintenance-enhancing HR practices and individual-level age as well as the interaction restricted to the business unit-level were significant and negative. Figure 3 depicts the significant cross-level moderation effect, displaying that maintenance-enhancing HR practices relate more negatively to in-role behavior for older employees; Figure 4 shows the significant business unit-level moderation, revealing that maintenance-enhancing HR practices correlate with in-role behavior also more negatively for business units of higher average age. Thus, Hypothesis 5 is supported.

![Figure 2. Maintenance-Enhancing HR Practices x Individual-Level Age effect on affective organizational behavior.](image-url)
**Figure 3.** Maintenance-Enhancing HR Practices × Individual-Level Age effect on in-role behavior.

**Figure 4.** Maintenance-Enhancing HR Practices × Business Unit Average Age effect on in-role behavior.
DISCUSSION

Major structural changes currently reshape organizations’ workforces across the developed world and provide organizations with rapidly increasing personnel’s mean age and growing shares of elder employees for years to come. Recognizing resulting challenges and combining SHRM’s macro perspective with the micro views of industrial-organizational and lifespan developmental psychology, this study provides important contributions to theory development and to the practical management of human resources. Drawing on social exchange theory (Blau, 1964; Cropanzano & Mitchell, 2005), affective events theory (Weiss & Cropanzano, 1996), and age-related differences in emotion regulation processes (Carstensen et al., 2003; Gross et al., 1997) our findings demonstrate the differentiated and age-contingent impact of growth- and maintenance-enhancing bundles of HR practices. In particular, irrespective of individuals’ age growth-enhancing HR practices predict employees’ affective organizational commitment but have no impact on in-role behavior. In contrast, maintenance-enhancing HR practices unfold their influence with respect to in-role behavior and affective organizational commitment, however, contingent on individuals’ age. In-role behavior and organizational commitment of younger employees is significantly associated with maintenance-enhancing practices. For older employees, nonetheless, no such association can be accounted for. These results help improve modeling the causal chain connecting HR systems with organizational performance and offer rationales for an informed orchestration of arrays of human resource practices to form HR systems that cater to the divers and altering needs of organizations’ personnel. Following, we successively address four important contributions of this study’s findings.

First, the results support the notion of the imperative centrality of workforces’ perceptions for the HR system—organizational outcome link that has recently been emphasized (Bowen & Ostroff, 2004; Wright & Boswell, 2002). Workers perceive their work environment and conditions, process these by, for example, making appraisals (e.g., Wayne et al., 1997) or attributions (e.g., Nishii et al., 2008) to eventually respond in various ways such as work-related attitudes and behaviors (Rhoades & Eisenberger, 2002; Zhao, Wayne, Glibkowski, & Bravo, 2007). However, as the results of this study demonstrate, this process does not occur uniformly and invariably. Rather, effects of deployed organizational inducements are contingent on workforce specifics such as age structure. Evidently, to unfold their unlimited effectiveness HR practices not only need to be in tune in terms of their horizontal fit, i.e. their match with other operant practices, and their vertical fit, i.e. their alignment to organization’s strategy and goals. Preferably, the composition of an organization’s HR practices additionally takes the age structure of the targeted individuals or groups of individuals into account. This holds true with respect to the increasing age of strategically important, thus more valuable, key personnel (Becker & Huselid, 2006) as well as, as we believe even more, the entire organization’s workforce.

Second, job performance and organizational commitment constitute critical mediators to ultimately achieve organizational performance (Gong et al., 2009; Podsakoff, Ahearne, & MacKenzie, 1997). However, the bulk of approaches to predict these individual-level work outcomes have separately focused on the influence of either age (Ng & Feldman, 2008, 2010) or organizational inducements (Rhoades & Eisenberger, 2002; Zhao et al., 2007; for few exceptions see Bal et al., 2008; Kooij et al., 2009). Present results provide insights in the dynamics of the interplay of the two predictors in that a certain type of HR practices, e.g. maintenance-enhancing practices, more efficaciously function with respect to particular employee groups, e.g. younger workers. Hence, age-related changes in emotion regulation may play an important role to generally explain individual work outcomes.
Third, social exchange theory has emerged to become an important concept in social psychology (Cook & Rice, 2006) and highly influential for explaining workforce behavior (Cropanzano & Mitchell, 2005). The examination of possible moderators impinging on exchanges in social relationships in organizational context has, nevertheless, hitherto been limited to specific inter-individual differences such as culture (e.g., Buchan, Croson, & Dawes, 2002) or exchange ideology (e.g., Eisenberger et al., 2001; Witt, Kacmar, Carlson, & Zivnuska, 2002). Intra-individual age-related changes such as major shifts in individual’s socioemotional motivation (e.g., Carstensen et al., 1999) have been neglected to explain workforce outcomes, despite of substantial evidence for according developmental dynamics (e.g., Carstensen, 2006; Heckhausen et al., 2010). The results of this study suggest that social exchange processes are, at least in part, contingent on such alterations. We believe that social exchange theory can benefit in its advancements by considering and incorporating these mechanisms as they contribute to derive more accurate predictions.

Forth, in their efforts to ensure organizational effectiveness HR managers have begun to be challenged by labor market constraints, and will be even more so in the future. Consequences of such dynamics are, for example, threats of knowledge loss and talent shortages (e.g., Strack, Baier, & Fahlander, 2008). To sustain organization’s competitive ability HR practices such as selection, training, performance management, and compensation need readjustments (Schuler, Jackson, & Tarique, 2011). This study’s results contribute to differentiate the purposeful deployment of groups of HR practices in ways that allow exerting their full potency. For example, growth-enhancing practices readily support both younger and older employees’ commitment and performance whereas maintenance-enhancing practices’ impact dilutes with increasing worker age.

Limitations

This study has some limitations. It is important to recognize that inferences with respect to causality of the asserted relations are limited. The cross-sectional research design constrains the quality of the associations to theoretical argumentation. Future research applying experimental designs that longitudinally gather data is needed to strengthen our argumentations.

Further, our conceptualization of HR bundles heuristically depicts workers’ perceptions of organizational inducements, particularly paying attention to developmental dynamics. The separate contributions of each practice to the bundle of either growth-enhancing or maintenance-enhancing HR practices, or even both, may indeed vary significantly. In addition, the application of HR practices varies with industries (e.g., Datta, Guthrie, & Wright, 2005; Toh, Morgeson, & Campion, 2008). Finally, the perception of singular HR practices may substantially co-vary with labor market culture and legal frame. For example, “… a practice such as an employee grievance procedure, which Huselid (1995) considers a high-performance indicator in the US, is simply a legal requirement in countries such as the UK and therefore is hardly something that differentiates superior performers.” (Boxall & Macky, 2009, p. 6). Hence, further research is needed to support the appropriateness of this study’s HR bundle conceptualization and its generalizability across industries, pursued strategies, and labor markets.

Conclusion

This study offers evidence for the age-contingent perception and effectiveness of HR practices that form an organization’s HR system in that growth-enhancing and maintenance-enhancing bundles of HR practices differentially impact individuals’ affective organizational
commitment and in-role behaviors. We sought to contribute to management and lifespan literatures by combining macro- and micro-level perspectives to a multilevel approach. Our findings suggest that an informed HR system configuration that considers age-related workforce structures will contribute to improve individual-level work outcomes and eventually organizational performance.

REFERENCES


APPENDIX

Human resource practices

Compensation level16.
1. My compensation/rewards are based on the market wage (going rate).
2. Compensation/rewards are designed to ensure equity with peers.
3. My compensation/rewards place a premium on my industry experience.

Employment security17.
1. I can expect to stay in the organizations for as long as I wish.
2. In this job it is very difficult to dismiss me.
3. I am almost guaranteed job security in this job.
4. If the firm were facing economic problems, in this job I would be the last to get cut.

Incentive compensation1.
2. My compensation/rewards have a group-based incentive component (gainsharing, etc.).
3. My compensation/rewards have an individual incentive/bonus component.
4. My compensation/rewards include an extensive benefits package.

Internal promotion2.
1. In this job I have clear career paths within the organization.
2. In this job I have very little future within this organization (RC).
3. My career aspirations within the company are known by my immediate supervisors.
4. If I desire promotion in this job there are more than one potential positions I could be promoted to.

Participation programs2.
1. In this job I am allowed to make many decisions.
2. In this job I am often asked by my supervisor to participate in decisions.
3. I am provided the opportunity to suggest improvements in the way things are done.
4. Superiors keep open communications with me.

Performance appraisal1.
1. Performance appraisals for employees are based on objective, quantifiable results.
2. Performance appraisals assess the quality of my output.
3. Performance appraisals assess the quantity of my output.
4. Performance appraisals measure my productivity and efficiency.

Selectivity1.
1. The selection process for employees in this job assesses their industry knowledge and experience.
2. The selection process for employees focuses on selecting the best all around candidate, regardless of the specific job.
3. The selection process for employees in this job involves screening many job candidates.
4. The selection process for employees in this job is comprehensive (uses interviews, tests, etc.).

Training2.
1. In this job I am provided extensive training programs.
2. In this job I normally go through training programs every few years.
3. There are formal training programs to teach new hires the skills they need to perform their

16 All items adapted from Lepak and Snell (2002)
17 All items adapted from Delery and Doty (1996)
1 All items adapted from Lepak and Snell (2002)
2 All items adapted from Delery and Doty (1996)
jobs.
4. I am offered formal training programs in order to increase my promotability in this organization.

Flexible working hours.
1. I can arrange my work schedule flexibly.
2. Start and end of work are largely determined by myself.

Grievance procedures.
1. In my job I have a reasonable and fair complaint process.³
2. If employees complain circumstances are usually resolved.

Information sharing.
In this job I am provided many kinds of information (e.g., a newsletters or regular meetings) on a wide variety of topics relevant to the business and its operations.⁴

³ Item adapted from Wright et al. (2005)
⁴ Item adapted from Becker and Huselid (1998)
WHAT MAKES ME STAY?
AN ANALYSIS OF THE MULTIPLE FOCI OF EMPLOYEE COMMITMENT IN PROFESSIONAL SERVICE FIRMS

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ABSTRACT

Professional Service Firms (PSFs) exemplify new employment structures where employees work across as well as within organizational boundaries. This creates the opportunity for multiple foci of employee commitment to emerge. These multiple foci impact on strategically important behaviours such as knowledge sharing and threaten the retention of employees, both of which are vital to the success of PSFs. In this paper we ask: How do multiple foci of commitment in PSFs influence employee intention to quit?

We draw on relevant previous research and data from a web-based survey that was administered to all employees in a global Professional Services Firm, headquartered in United Kingdom, which provides outsourcing services to around 40 global clients. The sample size is 369 (response rate 51%).

The contribution of this paper is two-fold: first we examine how each of the four foci of commitment (organization, team, profession and client) separately impact intention to quit; secondly we consider the effect of the interactions between the foci of commitment on the intention to quit. Our findings have implications for the understanding of the retention of professionals.

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Introduction

Professional Service Firms (PSFs) exemplify organizational structures where a strategically valuable resource, i.e. the human capital of the firm works not only within but also across organizational boundaries. PSF employees interact routinely with parties internal and external to the organization such as practice groups, clients, partners, intermediaries, suppliers, regulators and professional bodies (Cappelli, 2008). This creates the opportunity for various agents or foci of commitment, such as the profession, the client and the team to emerge (Morin et al., 2011; Becker, 2009; Vandenbergh, 2009; McElroy et al., 2001; McLean Parks et al., 1998; Reichers, 1985). Consequently, the firm may become psychologically distant (Becker, 2009; Lewin, 1943; Mueller and Lawler, 1999) as the professional works closely with the client or a specialist team, such as a legal practice group.

Extensive previous research into employee commitment has concentrated on a single focus of commitment, i.e. the organization. This focus does not capture the implications of the widespread cross-boundary working found in PSFs on commitment. This has an impact upon the theoretical frameworks which allow us to understand the links between the multiple foci of commitment and strategically important behaviours such as knowledge sharing and the retention of valuable human capital, both of which are vital to the success of PSFs (Vandenberghe et al., 2004; Stinglhamber and Vandenberghe, 2003; Stinglhamber et al., 2002; Cohen, 2000). In particular, very little research has been conducted into the impact of the multiple foci of commitment on key attitudes and behaviours such as knowledge sharing and intention to quit (Klein et al., 2009; Meyer, 2009; Meyer et al., 2002; Johnson et al., 2009).

This lack of research is surprising given the theoretical and managerial interest in the consequences of employee attitudes and behaviours in PSFs. In this paper we explore two specific areas which address this gap: first, the independent impact of commitment to the organization, profession, team and client on the ability of the firm to retain human capital and second, the impact of the dynamic interaction between these foci of commitment on the professional’s intention to quit. For example, it is crucial for an organisation to understand if commitment to a client conflicts with commitment to the organization which may result in employees being less likely to share their knowledge and more likely to leave their firm.

In order to address our research areas and to develop specific hypotheses we first review the previous research on employee commitment to identify the key foci of commitment which are present in PSFs. This allows us to develop hypotheses on how these foci of commitment, both independently and interdependently (i.e. their interaction), influence the professional’s intention to quit. Second, we test our hypotheses by drawing on empirical data on employee attitudes and behaviours which have gathered recently in a global PSF. We then analyse our data drawing on the concept of psychological distance and field theory (Lewin, 1943; Becker, 2009; Stinglhamber et al., 2002). Finally, we discuss the implications of our findings for theory and practice.

We contribute to existing research in two ways. First, we examine each of the four foci of commitment separately to identify their impact on the ability of the firm to retain valuable human capital. Second, our data analysis speaks specifically to the literature on the interaction between the foci of commitment. We are able to understand the dynamics of commitment and the links between these interactions and employee behaviour (such as intention to leave the organisation). Third, we draw particular attention to the importance of
professional commitment for influencing employee intention to quit. These findings have implications for our understanding of the retention of professionals which is central to the success of PSFs.

Previous Research

We define commitment as ‘a force which binds an individual to a course of action relevant to one or more targets’ (Meyer and Hersocovitch, 2001: 301). We identify three themes in the previous research on employee commitment: (i) the existence of multiple foci of employee commitment which are critical in PSFs; (ii) the variation, strength and interaction between the foci of commitment, and (iii) the impact of these foci on Intention to Quit (ItQ) both independently and in interaction.

The literature identifies several foci of commitment which are thought to have a critical impact on employee behaviour in PSFs. These can be categorised into foci which are anchored either inside or external to the firm. In the first category, i.e. organizationally focused, the dominant themes include commitment to the organization (OC) and to the team (Becker, 2009). Many previous studies of commitment use the organization as the unit of analysis and refer to commitment which is nested within these structures (Lawler, 1992; Mueller and Lawler, 1999). Three forms of organizational commitment have been identified: affective commitment (AC) - an employee’s emotional attachment to an organisation; continuance commitment (CC) - the costs of leaving the organisation and normative commitment (NC) - a feeling of obligation to continue employment. We concentrate on AC because it has the biggest impact on job satisfaction, organisational citizenship behaviour, employee turnover and absenteeism, all of which are vital to PSF success (Meyer et al., 2002).

The second internal focus of commitment is that of the team. This research highlights that team commitment (TC) is particularly important for individual and organisational performance (Becker, 1992; Bishop et al., 2000; Mathieu and Zajac, 1990). This is significant for PSFs given that professional work tends to be organised into project teams or practice groups (Bishop et al., 2000) where members work together to generate, transfer and integrate knowledge to maximise client benefits (Lam, 2000; May et al., 2002; Swart, 2007). Indeed, teams may be the principal way in which employees experience the organisation as they interact frequently with their team members and have less contact with others (Redman and Snape, 2005). PSF employees can build up strong relationships with their team leader and members, especially when they are physically located together, either in the PSF or on the client site (Reed, 1996).

Recent research has also recognised the existence of foci of commitment which are external or at the macro level (Morin et al., 2011; Becker, 2009; Vandenberghe, 2009; Cohen, 2000; Meyer and Herscovitch, 2001; Redman and Snape, 2005; McElroy, 2001). This research points to two further foci of commitment here, i.e. the profession and the client both of which are especially important in the PSF context.

Most of the research into external foci has examined the impact of commitment to the employee’s profession. Over 50 years ago Gouldner (1957) distinguished between ‘locals’ who were committed to the organisation and ‘cosmopolitans’ who displayed a stronger commitment to their profession. As employees invest more in their development in their
profession to stay competitive they develop a stronger commitment to their profession (Greenwood and Empson, 2003; Lee et al., 2000). Commitment to the profession is especially important in PSFs because employees draw on a professional knowledge base, they are involved in self-regulation and are subject to a professional code of practice (May et al., 2002, Swart, 2007; von Nordenflycht, 2010). They also have a high degree of ownership over their knowledge and skills through which they develop external professional networks to share knowledge.

Relatively few studies have examined the impact of the client on employee commitment (Meyer 2009; Vandenberghe, 2009). However, we argue that particular attention needs to be given to this focus of commitment because the client can be regarded as the raison d’être of the PSF (Fosstenlokken et al, 2003). Most PSF activity is devoted to meeting client needs especially in highly competitive markets where knowledge is commoditised, there are alternative suppliers and the costs of switching jobs are low (Lowendahl, 2005; Malhotra and Morris, 2009; Swart and Kinnie, 2003). Some research has been carried out in ‘non-traditional’ work settings where contract and agency staff are present. Liden et al., (2003) found a potential incompatibility between temporary agency and client commitment. Coyle-Shapiro and Morrow (2006) and George and Chattopadhyay (2005) noted that organisation and client commitment were positively related when the two parties were seen to have similar attributes. Apart from this work very limited consideration has been given to the influences on commitment in environments where employees routinely work within and across organizational boundaries.

In summary, the first theme that we identify in the literature is that of the existence of multiple foci of commitment in cross-boundary settings. The key foci which we expect to find within a PSF setting include commitment to the organization, team and the profession. The second theme in the previous research considers how and why some foci of commitment will be stronger than others and how these foci interact. Becker (2009: 163) draws on Lewin’s (1943) field theory to develop the concept of psychological distance which is the ‘perceived frequency of meaningful interactions’ and he argues that proximal foci are powerful because they have primary responsibility for establishing norms and are effective in monitoring, rewarding and shaping behaviour. According to the psychological distance theory employees will be more committed to foci with which they are actively engaged. Becker (2009) also refers to the level of abstraction of foci. He distinguishes between those which are ‘concrete’ (ie specific and tangible) and likely to generate commitment, and those which are ‘abstract’ (general and less tangible) and less likely to generate commitment. Furthermore, he argues that concrete foci could lessen or even reverse the effects of proximal or distant foci. This allows him to identify four types of commitment, which may possibly exist within a single organization (See Figure 1).
For example a consultant may interact intensively with clients in a very concrete, practical way and develop a high level of commitment to them compared with the organization (Redman and Snape, 2005). Similarly, a group of PSF employees working for long periods on client site on an IT implementation may develop strong team commitment while their organizational commitment may be weakened because the firm is perceived as distant and abstract. In contrast the Managing Partner of a law firm will be strongly committed to the organization for which they are responsible and less committed to clients because they interact with them relatively infrequently. Both Becker (2009) and Redman and Snape (2005) note that psychological distance is not the same as physical distance: we may feel close to work colleagues who are physically removed (a work friend based on another location) and distant from someone who is physically close (for example a supervisor) thanks to modern communications technologies. The key point here is that employees in the same organization can occupy different positions on Becker’s framework depending on the nature of their interactions with and psychological distance from the relevant fields (Lewin, 1943).

There are uncertainties over whether the commitment foci are complementary or in conflict with one another. Johnson et al., (2009) hypothesise that these foci may be in competition where commitment to one agent, for example the client, may be at the expense of commitment to the organization. In other instances there may be synergistic interactions where commitment to one foci combines positively with another. A third situation is where the strength of one focus of commitment may compensate for the weakness of another.

McLean Parks et al., (1998) argued that multiple foci may weaken commitment to the employer and Scarbrough (1999) identified tensions and conflicts in the commitment of knowledge workers at the institutional, organizational and individual levels. Alvesson (2004) argued that employees may feel more committed to their profession than to their employer. Reichers (1986) found that conflict between different foci of commitment was related to reduced commitment to the organization. However, the most common finding is that there are positive associations between these foci of commitment (Becker, 2009). Typically the
research finds that employee commitment to one agent, e.g. the employer, is not at the expense of another, for instance a client, indeed it may be compensatory or synergistic (Johnson et al., 2009). There is clear evidence that temporary employees display dual commitment to both their clients and their employers (Coyle-Shapiro and Morrow, 2006; May et al., 2002) while Wallace (1995) found positive associations between employee commitment to their organization and their profession. O’Mahoney (2010), Alvesson and Robertson (2006) and McKenna (2006) discuss particular ways in which PSFs deliberately see to align commitment to the organization and to the profession.

We have thus far identified the most prominent foci of commitment, sought to explain their variance through field theory and considered how they interact. In order to formulate our hypotheses we now consider the third theme within the previous research which relates to the impact of commitment on the professional’s behaviour. In particular, we generate a series of hypotheses concerning the independent and interactive effects of these foci of commitment on intention to quit. This is of strategic significance to the firm given that the PSF is reliant on valuable human capital to survive and compete within the professional labour market.

We know that knowledge workers are a strategically valuable resource and source of competitive advantage within PSFs (Swart, 2007). Retaining and developing these knowledge workers is vital to firm success in the long term. These employees hold a favorable bargaining position given the transportability their skills and their centrality to the performance of their firm. It is expected that mobility of these employees is likely to be higher compared to the employees who are not professionals. Indeed, the very reason individuals often seek professional qualifications is to secure their employability and to make them less dependant upon a single firm. Reed (1996) therefore argues that knowledge workers have a stronger commitment to the external (professional) market than the internal market and they would seek to exploit this through higher pay or by leaving the organisation.

Turnover of employees usually creates direct (e.g. recruitment, selection, training, replacement etc) and indirect (e.g. lower productivity and lower morale) costs for organisations (Staw, 1980). Winterton (2004) argues that the highest costs of turnover behaviour lie in training and development, and the retention of skills and core competences for organisations. Overall, losing employees is seen as a factor that decreases organisational effectiveness (e.g. Bentein et al., 2005; Staw, 1980). This is particularly true for human capital intensive organisations such as PSFs where the type of position employees hold might influence their commitment to the organisation (Greenwood and Empson 2003; Lowendahl 2005).

Staw (1980) states that losing large number of personnel or losing key organisational members is costly to the organisation due to general disruption. The centrality of a particular job makes a big difference for organisations in terms of turnover costs. Employees who stay with the organisation are also affected by turnover behaviour of the leavers. Their motivation, commitment and satisfaction are affected. Thus, turnover of some might trigger an intention to leave for those who stay. Thus, the reason for leaving (Steers and Mowday, 1981) and the situation of leavers (whether or not they were part of a cohesive work group or possessed high social status among other organizational members) are important determinants of turnover costs for the organizations.

In the turnover literature, attitudes of organisational commitment and job satisfaction are accepted as the core mechanisms that explain turnover intentions and behaviour (Griffeth et
al., 2000). Turnover intention is a probability that is estimated by the employee about his/her chances of leaving his/her current organisation in near future (Mobley 1982; Mowday et al., 1982). Turnover intentions (quit or stay) are strong predictors of turnover behaviour (Griffeth et al., 2000), which results in physical separation of an employee from his/her organization (Mobley, 1982; Mowday et al., 1979).

Our first set of hypotheses concern the independent impact of each foci of commitment on ItQ. Extensive previous research has been conducted into the links between organisational commitment (OC) and the employee’s intention to leave the organization. OC, especially the affective form, is found to be negatively related to turnover intentions (Mathieu and Zajac, 1990; Griffeth et al., 2000; Meyer et al., 2002; Mowday et al., 1982). This is the foundation for our first hypothesis:

**H1: Commitment to the organization will be negatively associated with ItQ the organization.**

Commitment research has examined the associations between the other foci of commitment and ItQ to a much more limited extent. Most research and discussion has taken place over the impact of professional commitment on employee behaviour. Boshoff and Mels (2000: 266-67) showed that commitment to the profession was negatively associated with the intention to leave the organization. Similarly, Stinglhamber et al., (2002: 134) found a negative association between commitment to the profession and the intention to leave the organization among a group of alumni. Lee et al (2001: 807) had a similar finding in that commitment to the occupation was negatively correlated with intent to leave the organization. Although further analysis found that the effect of occupational commitment on organizational intent to quit was in fact indirect through intention to quit the occupation. This leads us to our second hypothesis:

**H2: Commitment to the profession is negatively associated with ItQ the organization.**

Research into the associations with commitment to the team and to customers or clients is much more limited. Stinglhamber et al., (2002: 134-5) in their analysis of data gathered in a sample of nurses, found that there was a significant positive association between commitment to customers (in this case patients) and ItQ. However, Becker (2009), in a meta-analysis which draws on a wider range of studies, reports commitment to the team and to customers are negatively associated with ItQ the organization. Following this comprehensive review in Becker’s meta-analysis we present the following hypotheses:

**H3: Commitment to the team is negatively associated with ItQ the organization.**

**H4: Commitment to the client is negatively associated with ItQ the organization.**

The second research area which we address is focused on the interaction between the various foci of commitment which we have identified and the impact of these interactions on the ability of the firm to retain its valuable human capital.

There has been very little research into the nature of the interactions between the foci of commitment and the associations with ItQ (Johnson et al., 2009; Meyer, 2009; Meyer et al., 2002). Most of the research which has been carried out has examined the associations between organizational commitment and other commitment foci. According to May et al.
commitment to both the organization and the profession could be generated under certain circumstances to reduce turnover. For example Ayree et al. (2001) argued that the ability of the organisation of the organisation to satisfy employees’ professional expectations and skill utilisation was positively associated with their organizational commitment which in turn was negatively associated with ItQ. In other words, the professional employee associates commitment to the organization with commitment to the profession. In particular, the employee may feel that the organization supports the development of professional skills and identity. Similarly, Boschoff and Mels (2000: 266-7) found a positive association between commitment to the profession and organizational commitment which was in turn associated with reduced ItQ. Vandenberghe et al., (2004: 58-9) considered the impact of commitment to supervisors and workgroups. They found that affective commitment to both supervisors and workgroups was positively associated to organizational commitment and negatively associated with ItQ.

Therefore the strength of the evidence suggesting positive associations between profession, team commitment and organizational commitment indicates that these will be indirectly negatively associated with ItQ the organization. We follow the above logic which seeks to associate/anchor the professional, team and client commitment with the organizational commitment and hypothesize that:

**H5a: Positive associations between organizational and professional commitment will be negatively associated with ItQ the organization;**  
**H5b: Positive associations between organizational and team commitment will be negatively associated with ItQ the organization;**  
**H5c: Positive associations between organizational and client commitment will be negatively associated with ItQ the organization.**

**Methods and data analysis**

The data is a web-based survey that was administered to all employees in a global Professional Services Firm, headquartered in United Kingdom, which provides outsourcing services to around 40 global clients. The sample size is 369 (response rate 51%). However, due to missing data, the final sample size is 282 in regression analyses. The missing value analysis revealed no specific missing data pattern. This quantitative data was supplemented by 34 interviews with employees at all levels, both in the Head Office and on client sites. These interviews were recorded and transcribed and then systematically analysed.

Details of our dependent (ItQ), independent (organizational, team, profession and client commitment) and control variables (age, tenure, location, role type and region) are given in the appendix. Both dependent and independent variables are measured by using a 7-point Likert scale (1=Strongly Disagree, 7=Strongly Agree). The descriptive statistics for the main and the interaction effects are provided in Table 1.

We hypothesized a relationship between organization, team, client and profession commitment and ItQ and the regression analyses reveal that organizational commitment ($\beta = -0.786, p<0.01$) and team commitment ($\beta = -0.187, p<0.05$) have a negative relationships with ItQ supporting hypotheses 1 and 3. Profession commitment ($\beta = 0.197, p<0.05$), however, has a positive relationship with ItQ. Client commitment is not related to ItQ. We conclude that
when we consider all individual characteristics and all commitment foci, organizational commitment and team commitment negatively impact ItQ while professional commitment has a positive impact on it. Thus the first set of multiple regression analyses, which examine the impact of individual multi-foci commitment types (i.e. main effects) on ItQ, support the compensatory model (Johnson et al., 2009).

We hypothesized further that interactions between multiple commitment foci, i.e., the competition model (Johnson et al., 2009) impact on ItQ. In order to test the interaction effects, we centred our independent variables (i.e. subtracted the mean scores) to simplify the interpretation of the regression coefficients. We tested two-way interactions among commitment foci variables. When we include all control variables, four commitment foci variables (main effects) and six interaction variables (i.e. organizational-team commitment, organizational-client commitment, organizational-profession commitment, team-client commitment, team-profession commitment and client-profession commitment), we find that the organizational and team commitment main effects continue to exist. In other words, organizational commitment (β = -0.769, p<0.01) and team commitment (β = -0.245, p<0.05) are negatively related to ItQ. The multiple regression analyses results are provided in Table 2.

There are two interaction effects that are significant in the same analysis, i.e. organizational and profession commitment has a negative relationship with ItQ (β = -0.219, p<0.01) supporting hypothesis 5a and there is an interaction between team and profession commitment which has a positive relationship with ItQ (β = 0.197, p<0.05).

Discussion

In this section we pick out three key findings and discuss these in the context of the previous research. We draw in particular on the model of psychological distance and level of abstraction (Becker, 2009) and the work of Johnson et al., (2009). Our results support both the compensatory and the competition commitment models and indicate that organizational and team commitment are independently negatively related to ItQ (Meyer et al., 2002). The analysis also indicates that the interaction between organizational and profession commitment decreases employee ItQ. However, the interaction between team and profession commitment increases ItQ. We discuss the implications of these findings for PSFs in the section that follows.

The direct negative relationships between organizational and team commitment and ItQ might be explained by the Becker (2009) model. In this case it is likely that the team is seen as an extension of the organization. This is particularly likely when the employee experiences the organization as proximal and concrete because they are physically located on the organization site – for example working at the head office or on one of the global service centres. Here the employee is surrounded by employer branding materials and the team and the organization become virtually synonymous the interaction effects are strong for both the team and the organization (Mueller and Lawler, 1999; Redman and Snape, 2005).

The interaction between organization and profession commitment which is negatively related to ItQ might also be explained by field theory. May et al. (2002) argue that a dual dependency relationship can develop between knowledge workers and their employing organization. Here the organization relies on the knowledge workers as their key resource and the knowledge worker depends on the organization for their professional development (Alvesson, 2004; Swart, 2007). Managers are able to satisfy the professional needs and expectations of
knowledge workers (Boshoff and Mels, 2000; Ayree et al., 2001; Lee et al., 2000). In this context the organization facilitates professional development by encouraging employees to move between clients on a regular basis – typically after two years with a client. This allows the employees to learn new skills, acquire knowledge about a range of sectors and add well-known brands to their CV. One Client Manager said, ‘without ever having to jump into another organisation I am getting the exposure and contacts, and just working with clients in different industries is quite rare.’ Another more junior client-based employee said, ‘I have had variety ...you might work on something for 6 months and then it is something else, you always feel as if you are doing something a bit different.’ While a Team Manager commented that ‘There is always the opportunity to take yourself off one client site and go and work another site, so that was always a big draw for me, the fact that I am part of a bigger organization that has other opportunities.’ Indeed, the company’s web site recruitment materials place great emphasis on the opportunities available for professional development.

‘One thing we are sure we can offer is choice. The choice of working in a number of exciting locations around the world, with a range of high profile brands, across many different industry sectors. The choice of focusing on one stream within our career framework, or building new skills across specialist areas.’

In the consulting sector, which has parallels with this kind of professional outsourcing firm, this co-existence of commitment to the organization and the profession has been referred to as ‘corporate professionalism’ (O’Mahoney, 2010) where weak professional bodies create the opportunity for the firm to become the focus of professional status. McKenna (2006) argues that this was a deliberate act by consulting firms to strengthen their competitive position. The classic way of creating this situation is by developing measures which strengthen commitment to the organization and the profession; in fact the firm can become synonymous with the profession. Alvesson and Robertson (2006) argue that various HR activities are combined including highly selective recruitment, an up or out promotion culture, high salaries and the possibility of promotion to partner to create an elite professional identity. This serves the dual purpose of building a professional culture allied to the firm and establishing credibility in the eyes of clients in the absence of an existing professional body.

The positive relationship between profession and team commitment and ItQ provides evidence for the competition model (Johnson et al., 2009). The project team is a natural focus for commitment in knowledge-based organizations (Swart, 2007) within which employees form commitment (Redman and Snape, 2005). To refer to Becker’s (2009) framework, the professional experiences the teams in a very proximal and concrete way, especially when they are physically located together, sometimes on client site. There is often intense and frequent interaction between the team members as they conduct their professional work in a co-located setting (Mueller and Lawler, 1999; Lawler, 1992).

This experience may be in sharp contrast with their experiences with the organization which may be both physically and psychologically distant. In some instances when employees are located on client site the organization can seem very remote and abstract. Indeed, contact may be limited to weekly emails and the occasional visit to head office. One senior manager said ‘you are pretty much totally immersed with the client. Everything about your employment, bar your pay packet, is client focussed, your business card, your laptop, your client office. My contact with the world outside of (the client) is minimal.’
This strong attachment to the team becomes exaggerated when the organization fails to provide opportunities for professional development which we know are important for knowledge workers. The firm’s support for development may be limited to induction training and the occasional off-site course. Or it may be the simple pressures of providing service to the client dominate day-to-day working lives, as one Client Services Manager said, ‘There is great training that is available to us, and I think the difficulty there is so much that we have to deliver, by default the individual thinks actually I would really like that training but I haven’t got time because I am delivering this, so it’s not the client directly saying no you can’t go on it, it is individuals saying I don’t think I can spare half a day out to do that.’ Moreover there may be few opportunities to move to other clients because of the travel to work distance involved. One Client Services Manager based on an isolated client site said, ‘there is the lack of opportunity, but that is only because of the client base. So where would you go? If you want to make a lateral move that is more difficult because we don’t have any clients.’

Indeed, the team then becomes the focus for professional development, especially when they are based on client site. Employees learn because they are faced with new challenges from client work, from their peers and through coaching from experienced managers. In fact employees develop professionally despite rather than because of the organisation. If employee needs are not being met by the wider organization then they look for them to be satisfied by their team. The creation of enclaves of semi-autonomous teams, one of the devices integral to the duality model (May et al., 2002), ironically provides a commitment focus which is alternative to the organization.

These teams can become the basis for professional development. We see the emergence of ‘team professionalism’, rather than ‘corporate professionalism’, where experts are gathered together and develop highly effective learning and knowledge-sharing mechanisms. The result may be that the team becomes disassociated from the organization and consequently, employees’ principal aim becomes that of developing the marketability of their knowledge weakening their organizational commitment and increasing their intention to leave, perhaps taking the client with them.

Drawing these results together reveals that different groups of employees experience the organization in different ways. Some employees, for example those at the PSF head office or on service centre sites, experience the organization in a proximal, concrete way enhancing their organizational commitment and making them less likely to leave. Employees located on client sites which are physically and psychologically distant from the organization will, through their frequent interaction with the client and the team, develop more commitment to these foci and less to the seemingly, abstract organization, especially where their professional needs are not being met. These employees are more likely to want to leave the organisation as their organizational commitment is challenged by the other more proximal foci. This provides clear evidence for Becker’s (2009) proposal that even within the same organization commitment will vary between groups of employees depending on the psychological distance and hence the level of abstraction of the various foci. We have shown here, through the confirmation of our hypotheses that these variations in commitment as well as the interaction between the foci of commitment have a direct impact on the ability of the firm to retain valuable human capital.
Conclusion

Our analysis illustrates the impact of multiple foci of commitment on employee behaviour, such as ITQ and it has highlighted the need to consider interactions between commitment to the organization, team and profession. In particular, we find that the interactions between organizational and profession commitment are negatively related to ITQ. This indicates a strategically viable route for the PSF that seeks to retain its valuable human capital. The PSF needs to implement talent management strategies which interconnect the commitment to the profession with the commitment to the organization. The value which the professional places on the development of their professional skills and on career development also needs to be acknowledged and made specific to the organization.

The data analysis indicates that interactions between profession and team commitment are, however, positively related to ITQ. This shows that when the team becomes the focus of proximal awareness for the employee, opportunities are created for the professional to anchor their career outside the organization, e.g. establishing a PSF with their team. This points further to the need to link professional, team and organisational commitment to retain human capital.

These findings contribute to the employee commitment literature in three ways. First, it illustrates that in addition to organization commitment, it is important that we consider commitment to the team, profession and the client (Redman and Snape, 2005). Second, we have identified that these different foci influence intention to quit both independently and when they interact. Third, we have identified the differential influence that professional commitment has on intention to quit when interacting with organizational and team commitment. These contributions have significant implications, at both a theoretical and practical level, for our understanding of the factors influencing the ability of PSFs to retain their valuable human capital.
References


Appendix: variable details

Dependent Variable: ItQ
The dependent variable, ItQ (Cronbach’s $\alpha=0.940$), is measured by two questions as in Colarelli (1984) scale: “I am currently considering leaving my organization” and “I am planning to leave my organization in the next 12 months”.

Independent Variables: Foci of Commitment
Our four independent variables, organizational, client, team and profession commitment mainly emphasise the affective commitment dimension of Meyer and Allen’s (1991) organizational commitment construct. The questions in Allen and Meyer’s organizational commitment measure are worded according to the form of commitment the questions are aimed to measure. The measures for the commitment foci include 9 questions. Exploratory factor analysis (Principal Component Analysis with Varimax Rotation) revealed that four commitment foci load on separate factors as expected. The details are provided in Table 3.

Organizational commitment ($\alpha=0.951$) is measured by items such as “I would be very happy to spend rest of my career with this organization” and “I trust this organization to meet my expectations”. Organizational commitment is positively related to other independent variables: team commitment ($r=0.412$, $p<0.01$), client commitment ($r=0.291$, $p<0.01$) and profession commitment ($r=0.411$, $p<0.01$).

Client commitment ($\alpha=0.912$) is measured by “I feel a strong sense of belonging to my client” and “I feel emotionally attached to my client”. In addition to organizational commitment, the client commitment variable is positively correlated with team commitment ($r=0.402$, $p<0.01$) and profession commitment ($r=0.551$, $p<0.01$).

Professional commitment ($\alpha=0.934$) is measured by “My profession deserves my loyalty” and “My profession has a great deal of personal meaning for me”. In addition to organizational and client commitment, profession commitment is positively correlated with team commitment ($r=0.380$, $p<0.01$).

Team commitment ($\alpha=0.923$) is measured by statements such as The example items are “I feel like part of the family at my team” and “I really feel as if my team's problems are my own”. Team commitment is correlated with other three commitment foci positively.

Control Variables
We control for the following variables: age, tenure, location, role type and region. Since all control variables are entered into the analysis as dummy variables, one category for each variable is excluded. The reference group is specialist employees (role type) who are between 24 to 35 years old (age), have been with the firm from 2 to 4 years (tenure) and work on client site (location) in the UK (region).
Table 1: Descriptive Statistics

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<thead>
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<th>Team Commitment</th>
<th>Client Commitment</th>
<th>Profession Commitment</th>
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<th>ORG-CLIENT Commitment</th>
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<td>0.635**</td>
<td>0.680**</td>
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</table>

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).
**Table 2: Multiple Regression Analysis Results**

| Dependent Variable: | Constant | Age dummy for 18-24 | Age dummy for 35-44 | Age dummy for 45 and over | Tenure dummy for Less than 6 months | Tenure dummy for 6-12 months | Tenure dummy for 1-2 years | Tenure dummy for 5-7 years | Tenure dummy for 8 years and over | Location dummy for Global Services Site | Location dummy for Head-office site | Location dummy for Mobile | Role Type dummy for Administrator | Role Type dummy for Principal Specialist | Role Type dummy for Manager/Consultant | Role Type dummy for Leadership team | Region dummy for Continental Europe | Region dummy for Asia-Pacific | Region dummy for Americas | Organisational commitment | Team commitment | Client commitment | Profession commitment | ORG-TEAM commitment | ORG- CLIENT commitment | ORG-PROFESSION commitment | TEAM-CLIENT commitment | TEAM-PROFESSION commitment | CLIENT-PROFESSION commitment | Adjusted R-square | F-value | N |
|---------------------|----------|---------------------|---------------------|--------------------------|-------------------------------|-------------------------------|---------------------------|--------------------------|-------------------------------|--------------------------------|--------------------------------|---------------------|----------------------------|-------------------------------|-------------------------------|--------------------------|--------------------------|---------------------------|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Intentions to Quit  |          |                     |                     |                          |                               |                               |                           |                           |                               |                                |                                |                   |                           |                                |                                |                           |                          |                           |                          |                           |                                |                   | 2.137** | 10.641** |
| Model 1             | 4.327**  | -0.179              | -0.365              | -1.183                   | -1.127*                      | -0.051                        | 0.005                      | -0.037                   | -0.967                        | -0.588*                        | -0.166                        | 0.289                           | -0.097                      | -0.509                      | -0.872**                    | -1.495**                    | -0.331                    | 0.041                      | 0.088                      | -0.786**                    | -0.187*                    | -0.073                      | 0.197*                    | 0.034                      | 0.119                      | 0.219**                     | -0.051                      | 0.197*                      | 0.119                      | 0.070                      |
| Model 2             | 3.847**  | 0.154               | -0.207              | -0.546                   | -0.719                       | -0.227                        | -0.228                     | -0.147                   | -0.309                        | -0.3                        | -0.046                        | 0.019                           | -0.24                        | -0.338                      | -0.196                      | -0.382                    | -0.096                    | 0.700**                    | 0.125                      | -0.769**                    | -0.245*                    | 0.001                      | 0.093                      | -0.034                      | 0.119                      | -0.219**                    | 0.051                      | 0.197*                      | 0.119                      | 0.070                      |
| Model 3             | 3.967**  | 0.118               | -0.221              | -0.27                    | -0.794*                      | -0.322                        | -0.282                     | -0.233                   | -0.402                        | 0.084                        | 0.112                        | 0.003                           | -0.159                       | -0.342                      | -0.078                      | -0.342                    | -0.133                    | 0.694**                    | 0.130                      | 0.49                       | 10.641**                   | 0.070                      | 0.093                      | -0.034                      | 0.119                      | 0.219**                     | 0.051                      | 0.197*                      | 0.119                      | 0.070                      |

a. Unstandardized coefficients (β) are reported. ** p<0.01, * p<0.05.
Table 3: Exploratory Factor Analysis Results

<table>
<thead>
<tr>
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<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>I WOULD BE VERY HAPPY TO SPEND REST OF MY CAREER WITH MY ORGANIZATION</td>
<td>0.775</td>
<td>0.208</td>
<td>0.116</td>
<td>0.082</td>
</tr>
<tr>
<td>I TRUST MY ORGANIZATION TO MEET MY EXPECTATIONS</td>
<td>0.861</td>
<td>0.127</td>
<td>0.151</td>
<td>0.065</td>
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<tr>
<td>I FEEL A STRONG SENSE OF BELONGING TO MY ORGANIZATION</td>
<td>0.889</td>
<td>0.093</td>
<td>0.136</td>
<td>0.049</td>
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<td>MY ORGANIZATION DESERVES MY LOYALTY</td>
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<td>0.084</td>
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<td>0.068</td>
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<td>0.054</td>
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<td>0.193</td>
<td>0.084</td>
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<tr>
<td>MY ORGANIZATION HAS A GREAT DEAL OF PERSONAL MEANING FOR ME</td>
<td>0.854</td>
<td>0.210</td>
<td>0.153</td>
<td>0.056</td>
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<td>0.614</td>
<td>0.240</td>
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<td>0.131</td>
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<tr>
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<td>0.049</td>
<td>0.158</td>
<td>0.654</td>
<td>0.036</td>
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<td>0.752</td>
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<tr>
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<td>0.793</td>
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Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.