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WHAT INFLUENCES MANAGERS' ENACTMENT OF PROCEDURAL AND INTERACTIONAL JUSTICE TOWARDS THEIR SUBORDINATES? THE ROLE OF SUBORDINATES' TRUSTWORTHINESS

by

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ABSTRACT OF THE DISSERTATION

What Influences Managers' Enactment of Procedural and Interactional Justice towards

Their Subordinates?

The Role of Subordinates' Trustworthiness

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This dissertation carries out two studies to examine when and why managers exhibit procedural justice towards their subordinates. Subordinates seen as having more benevolence trustworthiness elicited greater procedural justice, whereas subordinates seen as having *less* integrity trustworthiness elicited greater procedural justice. Moreover, the positive (negative) relationship between subordinates' benevolence (integrity) trustworthiness and managers' procedural justice was more pronounced when subordinates were perceived as higher in ability. These findings portray a multifunctional purpose to managers' enactment of high procedural justice: (1) when desirable, to maintain positive relationships with subordinates (e.g., if subordinates are high in benevolence), and (2) when necessary, to minimize potential disruption that subordinates may cause (e.g., if subordinates have low integrity). In addition to procedural justice, the impact of subordinates' trustworthiness on managers' interactional justice was also investigated in the Field Study. Implications for the organizational justice and trust

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literatures are discussed.

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Chapter 1. Introduction

The fairness of managers' procedures refers to the "how" of organizational decision-making, that is, the justness of the methods managers employ to plan and implement decisions (Tyler & Lind, 1992). Decades of research have shown that managers' procedural justice has a pervasive influence on the work attitudes and behaviors of the people who report to them (Greenberg & Colquitt, 2005; Folger & Cropanzano, 2001; Lind & Tyler, 1988; Thibaut & Walker, 1975). Across a wide range of organizational settings, and across an assortment of dependent variables (i.e., those directed towards the organization, such as organizational commitment, and organizational citizenship behavior, as well as those directed towards the self, such as self-esteem), employees generally respond more positively when their managers exhibit higher procedural justice. Related lines of research have sought to delineate moderators of the relationship between procedural justice and employees' reactions, such as uncertainty (Van den Bos & Lind, 2002) and outcome favorability (Brockner, 2010). Thus, a good deal of the organizational justice literature has sought to explain how, when and why employees are affected by the procedural justice with which their managers plan and implement decisions.

Given the ubiquitous consequences of managers' procedural justice, a logical next step in organizational justice theory and research is to delineate when and why managers are more versus less likely to exhibit procedural justice. Indeed, relatively few studies have examined managers' enactment of procedural justice as a dependent variable. Some studies have examined the conditions under which decision-making authorities

exhibit interactional justice, which refers to treating people in a dignified and respectful manner (Folger & Skarlicki, 2001; Korsgaard, Roberson, & Rymph, 1998; Margolis & Molinsky, 2008; Molinsky & Margolis, 2005; Patient & Skarlicki, 2010). However, given that procedural and interactional justice are conceptually and empirically distinct (Blader & Tyler, 2003; Colquitt, 2001), it cannot be automatically assumed that they have the same antecedents; whether they do ultimately is an empirical question. Thus, by delineating the conditions under which decision-makers exhibit more versus less procedural justice, this dissertation may contribute to a more complete understanding of the antecedents of managers' fairness.

In this dissertation, I hypothesize that the extent to which managers show high procedural justice towards the group of people reporting to them depends upon how much managers believe that their subordinates are trustworthy. Relationships between managers and their subordinates often entail high interdependence and risk (Kramer, 1999; Williams, 2001). Managers are dependent on their subordinates to get the work done, and yet may not be certain that subordinates will get the work done. Given high interdependence and risk, the trustworthiness of the group of people reporting to them is likely to be a salient consideration for managers.

Moreover, by focusing on managers' perceptions of their direct reports (such as their trustworthiness), this dissertation offers a subtle but important shift in emphasis of the influence process between managers and the people that report to them. In general, organizational scholars have examined how, when, and why managers influence their direct reports much more than they have examined how, when, and why direct reports (or, at least, managers' perceptions of their direct reports) influence their managers (e.g.,

Howell & Shamir, 2005). And yet, the influence process between managers and their direct reports is reciprocal (e.g., Chen, Brockner, & Greenberg, 2003). Given that researchers currently know more about how managers' fairness influences their direct reports than people know about how subordinates cause their managers to act more or less fairly, the present studies seek to redress the latter deficiency. In so doing, I hope to shed light on the relatively neglected side of the bi-directional influence process between managers and their subordinates.

Another significant motivator of the present studies is that there are reasons to believe that managers' procedural justice will be affected by the extent to which they perceive their subordinates to be trustworthy. Moreover, the predictions I will make are not entirely obvious as a set, emanating from the fact that perceptions of trustworthiness are multi-faceted, referring to the trustees' ability, benevolence, and integrity (Mayer, Davis, & Schoorman, 1995). For one of these facets (benevolence), I will hypothesize a positive relationship between how much managers' see their subordinates as trustworthy and the extent to which they exhibit procedural justice towards them. For another facet (integrity), however, this dissertation will hypothesize an inverse relationship between how much managers see their subordinates as trustworthy and the degree of procedural justice that they direct towards them. And for the third (ability), I will hypothesize no "main effect" relationship, but rather, a moderating influence on the other two relationships.

I also hope to extend the justice literature by having the referent in the independent variable (the perceived trustworthiness of subordinates) and the dependent variable (managers' enactment of procedural justice) be the group of subordinates. This is

in contrast to the dyadic focus (between a manager and a subordinate) that dominates most of the empirical work in the justice literature (Chen, Zhao, & Lee, 2011). Thus, this dissertation will explore the effects of managers' perceptions of the trustworthiness of the group of people reporting to them on their tendencies to exhibit procedural justice towards the group. Central to the conception of justice and the notions of policies and procedures are *collectives* as the target level of focus. Collectives also have been the focal level of justice discussions in philosophical, legal, and theological debate throughout history (Pettit; 1997; Rawls, 1971). Accordingly, our focus is on managers' perceptions of and reactions to their subordinates as a work group. As Schoorman, Mayer, and Davis (2007) suggested and in accordance with social categorization theory (Turner, Hogg, Oakes, Reicher & Wetherell, 1987) and social identity theory (Tajfel & Turner, 1986), people often form holistic perceptions and make trait-like judgments of groups (e.g., people in Division A are more trustworthy than those in Division B; Ip, Chiu, & Wan, 2006). The tendency to make judgments of groups, of course, is in addition to (not instead of) making trait judgments of specific individuals within the group. Hence, it is appropriate to examine the procedural justice that managers direct towards the group of people reporting to them as a function of the perceived trustworthiness of the group. This is not to say that the present hypotheses could not be examined with individual subordinates as referents (I return to this point in the General Discussion). Rather, I am positing that it is meaningful to test the present hypotheses when the referent consists of subordinates as a group.^{1,2}

Chapter 2. Theoretical Overview and Hypotheses

2.1. Related Literature

Scholars noticed that individuals could be influenced not only by an allocation (distributive justice), but also by framing of the information that led to the allocation (Leventhal, 1976). Thibaut and Walker (1975) did a both initiating and unique work in the study of procedural justice. They compared the ability of adversarial and inquisitorial procedures to create objectively fair decisions in lab studies in a business and trial simulation (Walker, LaTour, Lind, & Thibaut, 1974). The authors found that participants most strongly preferred the adversarial procedure and that those ratings tended to mirror fairness perceptions and perceptions of the *control* given to the disputants during the process. They argued that a procedure that limits third-party control, thus allocating the preponderance of control to the disputants, constitutes a just process. The pioneering research by Thibaut and Walker (1975) was one of the first that emphasized the importance of voice as an indicator of procedural justice.

Leventhal (1976, 1980) asserted that procedural rules constitute the second category of justice. A *procedural rule* is defined as an individual's belief that allocative procedures which satisfy certain criteria are fair and appropriate (Leventhal, 1980). He raised six rules for fair procedures, i.e., consistency, bias suppression, accuracy, correctability, representativeness, and ethicality. Folger and Greenberg (1985) applied procedural rules to performance evaluation and compensation. They argued that procedural rules could be used to make performance evaluations fairer by giving

employees input into the appraisal process, and the compensation systems could be made fairer by giving employees access to information about pay levels and criteria. Lind and Tyler (1988) particularly introduced the effects of procedural fairness on job satisfaction, compliance with organizational rules, job performance, and other key outcomes.

In the organizational context, *voice* was identified as a possible effect on employee reactions in Greenberg and Folger's (1983) study of procedural justice. The voice label was taken from Folger's (1977) earlier lab study on the effects of procedures that seek participants' opinions (voice) versus procedures that do not (mute). Folger and colleagues (1979) coined the phrase "fair process effect" to refer to "cases in which greater satisfaction results from giving people a voice in decisions". Later cross-cultural studies showed that people in different cultures may have different perceptions of voice. For example, Brockner and colleagues (2001) found that, the voice in higher power-distance society, compared with lower power-distance society, has a less effect on employees' job satisfaction, commitment, and intention to turnover. The general conclusion of Brockner et al (2001) is that whether voice affects positive work attitudes and behaviors depends on whether people expect to participate in managers' decisions, and the people's expectations regarding the appropriateness of voice are culturally guided.

Researchers carried out series of empirical tests on procedural justice. Greenberg (1986) asked a sample of middle level managers to consider a particularly fair or unfair performance evaluation and to identify the most important factor that contributed to that evaluation. The factor analysis yielded two factors, the first of which is a procedural factor composed of process control, correctability, consistency, and accuracy, and the second of which is a distributive factor reflecting equity concerns. His study provided

empirical evidence for the existence of the procedural justice rules identified by Thibaut and Walker (1975) and Leventhal (1980), and it showed that employees do discriminate procedural justice as a unique form of organizational justice. In organizational context, the first study to demonstrate unique procedural justice effects was conducted by Alexander and Ruderman (1987). They administered to 2,800 federal government employees a survey assessing the fairness of various work policies and outcomes. A factor analysis of survey responses revealed three procedural factors, i.e., process control, correctability, and global process fairness.

2.1.1 Self-Interests

Perhaps the most direct and prominent reason for people to care about procedural justice in organizations is to protect and enhance their long term self-interests. Greenberg (1990) proposed a *self-interest model* which was proposed earlier as *the instrumental model* that argues people attend to matters of justice in keeping with their long-term interest in control over economic outcomes (Lind & Tyler, 1988; Thibaut & Walker, 1975). Tyler and colleagues (1996) argued that the instrumental orientation of people's perception of justice "assumes that people are motivated to maximize their self-interest when they interact with each other" and that, for this reason, they "only reluctantly submit themselves to external control" of their own outcomes (p. 913). More importantly, instrumental orientation presupposes that people use justice as an uncertainty management technique, and it influences people's judgment of procedural justice because it implicates that they are in a positive position of receiving tangible outcomes (Thibaut

& Walker, 1975) and can be confident that whatever current uncertainty exists will not work against their long-term well-being (Van den Bos & Lind, 2002).

People's concern for long-term self-interests is directly reflected by their tendency to use fairness judgment process to resolve the outcome uncertainties they encounter.

Van den Bos and Lind (2002) proposed that when information about outcomes of others is not available (i.e., information uncertainty), people cannot use the equity theory (Adam, 1965) to form a reasonable comparison between their input-vs.-output ratio and that ratio of comparison others. In order to reduce or at least manage the uncertainty incurred from lack of outcome information, people would use procedural information as a heuristic substitute to judge whether they receive the outcome they believe they deserve. In other words, self-interested people try to make sure that they have some kinds of *process control* over the outcome they will receive. Proponents posit that people are more likely to believe they will receive their share of favorable outcomes when procedures are relatively fair (Brockner 2002).

The long-term self-interest mechanism is not the only mentality of organization members who concern justice. In addition, people sometimes care about favorable resource outcomes because they represent something positive about one's own social or professional position, status and worth. This leads to the second mechanism upon which people build their justice judgment – Relational Concerns.

2.1.2 Relational Concerns

The *relational approach* (also known as the *group-value approach*) suggests that organization members care about procedural justice because it enhances an individual's feelings of self-worth and acceptance by others (Lind & Tyler, 1988; Tyler, 1987; Tyler & Lind, 1992). This model assumes that people value being members of group such as organizations, and that interactions with organizational authorities either affirm or disconfirm their status in the group. In terms of the distributive justice, a favorable reward may not only reflect one's instrumental orientation toward "winning" (Gillespie & Greenberg, 2005), it also serves as tangible representations of one's group status, because having a favorable reward signifies one's importance to the organization.

Whereas in terms of procedural justice, relational approach suggests that a person' social and psychological concerns about basic needs such as self-esteem, self-identity, and affiliation are more likely to be satisfied when they interact with others who are procedurally fair. (Folger & Cropanzano, 1998).

Fairness Heuristic Theory is extensively used in the relational approach to organizational justice. The relational model argues that fair treatment signals that authorities are legitimate (Tyler & Lind, 1992). Therefore, justice can be used as a heuristic – a psychological shortcut used to decide whether to accept or reject the directives of people in positions of authority – that alleviates the need to fully explore all consequences of interacting with the authority figures (Lind, Kulik, Ambrose, & De Vera Park, 1993). Because it is useful and efficient, people are motivated to form this heuristic during the early stages of interaction with potentially untrustworthy authorities or other organizational parties. Importantly, this means that procedural issues play a larger role in forming justice judgments because procedural information typically is always readily

available (e.g., Van den Bos, Lind, Vermunt, & Wilke, 1997; Van den Boss & Lind, 2002). Thus, the procedural information becomes the key driver of subordinates' status judgment, attitudes toward authority, and behavioral intentions.

Uncertainty, in addition to existing in people's outcomes, is also common in people's daily relationships with others in their organizations. For instance, Van den Bos and Lind (2002) indicated that people cared more about justice, and especially procedural justice, when they were uncertain about whether they can trust the authority than when they were certain that the authority either can or cannot be trusted. They further argued that justice helps manage uncertainty because it gives people a feeling of general security with respect to their social milieu. Several theories of social justice also recognized that justice is a relatively straightforward and sensitive indicator of one's relationship with the external world, and it implies that one is well positioned in one's social environment (Lind & Tyler, 1988; Lind, 1992, 1995, 2001).

2.1.3 Moral Concerns

The third perspective of organizational justice that draws intensive attention is the *moral value mechanism* which suggests that people care about justice because it provides basic respect for human dignity and worth (Gillespie & Greenberg, 2005). Cropanzano and colleagues (2001) described the moral virtues as the one that "individuals worry about fairness because they want to be virtuous actors in a just world". In the first empirical examination of the moral virtues approach, Turillo et al (2002) claimed that it emphasized people's commitment to ethical standards and the virtue is its own reward.

The *should* question raised in the fairness theory (Folger & Cropanzano, 1998, 2001) also claims that the organizational authority should adhere to moral and ethical standards and not violate them. The moral value approach assumes that people do have others-directed fairness as an ultimate goal; in other words, people really care about others' well-being for its own sake. Thus, the moral value mechanism suggests that people care about justice because doing so is virtuous for itself. Being authorities in organizations, managers are supposed to have the obligation to adhere to moral and ethical standards, and behaving fairly to subordinates itself is virtuous.

2.1.4 Procedural Justice from Managers' Perspective

When talking about "organizational justice", its different forms, or its different sources, researchers generally presuppose that we put feet in the shoes of employees, looking for the reasons of employees' *fairness judgment* formation (Van den Bos & Lind, 2002) and the consequences of being treated fairly or unfairly by the authority. In contrast, the justice literature has all but ignored what causes leaders or manager to act in a just way (Colquitt & Greenberg, 2005). Leadership theories have long been arguing that leader behaviors should be affected and predicted by characteristics of the leader, the situation in which the leader behaves, and the followers' attitude and behaviors (House & Aditya, 1997; Yukl & Van Fleet, 1992). However, former research not only have little knowledge about *what* factors trigger fair or unfair treatment (Colquitt & Greenberg, 2005), people also lack understanding about *how* these factors affect a manager's fair treatment to subordinates. Here, I argue that managers' enactment of justice are affected

by their employees' specific attributes or actions, in addition to the managers' own personal dispositions (which I will not explore in the current dissertation but are no doubt important); more specifically, subordinates' attributes and actions play their roles through the above-mentioned three mechanisms, i.e., the managers' long-term self-interest, their relationship with their subordinates, and their moral concerns, in affecting managers' justice enactments.

Managers' long-term self-interest underlies their just treatment towards subordinates in organization. In a work organization, the relationship between managers and employees is not a zero-sum game; Whitener and colleagues (1998) suggested that managers' motivation to engage in mutual-beneficial behavior is related to the value of the benefits received from the employee and the cost of engaging in such behaviors. In other words, self-interest can result in cooperation in the long-term repeated interactions (c.f. Fudenberg & Maskin, 1986) between managers and subordinates and be oriented toward to public good by emphasizing personal responsibility (Perloff, 1987). Locke (1988) stated that egoism makes people more rather than less benevolent towards others. Thus, any rational or self-direct managers, even from their own self-interests, have incentives to consider the well-being of subordinates because only in this way the managers could sustain their own self-interest in the long run and prevent any backfire from employees.

Thus, if a critical part of the managers' outcomes relies on subordinates, and the subordinates are to some extent irreplaceable, then rational managers have stronger incentive to behave fairly to subordinates than to behave unfairly. Different from the subordinates' perspective in which authorities' justice is regarded as an indicator whether

subordinates' self-interests are insured or at risk; managers may be motivated to use justice as a direct tool to *protect* their self-interests, for the following reasons.

First of all, mutual interdependence between managers and subordinates derived from work division and cooperation in modern organizations leaves managers only partially stronger bargaining power over their subordinates. The relative bargaining powers among the two parties determine how the output is allocated among them (Rasmusen, 2007). Thus, behaving fairly to subordinates becomes a useful tool to strengthen the managers' bargaining power over their subordinates because such behaviors put the managers in a positive and legitimate position in both decision making processes and daily routine operations of the organization. As a result, stronger bargaining power guarantees that the managers can get a favorable position in output allocation, which in turn guarantees the realization of managers' long-term self-interest.

In addition to being a tool for gaining advantageous bargaining power, behaving fairly to subordinates also serves as a traffic-light-like tool that sends signals to subordinates in exchange for subordinates' certain behaviors, actions, or attributes which are in compliance with the managers' long-terms self-interest. In this situation, procedural justice can be used by managers as preventive control. For instance, in the interaction between managers and subordinates, managers are always the first mover; managers may use their first-mover position to establish some framework or rules that limit the subordinates' further choices both cognitively and behaviorally. To those rational subordinates, managers' fair behaviors send them a clear signal that the managers are legitimate, and thus subordinates' inappropriate behaviors and non-citizenship actions are inconsistent with both the managers' behaviors and expectation. Thus, procedural

justice helps managers protect their own self-interest from subordinates' potential wrongdoings by reducing the likelihood of such wrong-doings. Procedural justice behaviors can also be used as corrective tools. In this case, the subordinates may have already shown some attributes or actions that do potential or actual harm to the managers' self-interests. Behaving fairly to subordinates becomes a choice for managers because justice can not only reiterate the managers' innocence in their interaction with those trouble-making subordinates, but more importantly, the managers can also use justice behaviors to show that they have well-positioned legitimate right and authority to require cooperation and obedience from subordinates. Then, it becomes the subordinates' obligation to correct their behaviors back onto the track which leads to the managers' long-term self-interest. Another reason for managers to behave fairly may be the fact that, in an organization, punishments that managers could use against trouble-making subordinates are rather limited (the worst the managers can do is to fire the subordinates, but taking the cost of hiring substitute subordinates); and managers' discipline decisions may face tedious process of grievance or arbitration. Thus, to use the carrot instead of the stick becomes a rational choice for self-interested managers (Rasmusen, 2007). Behaving fairly is just such a sweet carrot.

An organization is not always doomed by those anti-citizenship subordinates who only need warning, discipline and correction. So preventing or correcting subordinates' actions that do not comply with managers' long-term self-interest is not the only function of managers' procedural justice. More optimistically and importantly, behaving procedurally fairly to subordinates is one of managers' effective tools to encourage and maintain subordinates' citizenship behaviors that can enhance managers' long-term self-

interest (along with the organization's interest). Due to the reason that managers are always the first-mover in the manager-subordinate relationship, managers' justice enactments can be regarded as the incubator of subordinates' citizenship behaviors in organizations which can indirectly guarantee the realization of managers' long-term self-interest, because justice behaviors are good statistic for managers' benevolence calculated by subordinates in their benefit-loss regression and increase the likelihood of subordinates' reciprocal behaviors. In this sense, justice behaviors become useful tools for managers to elicit behaviors from subordinates that managers want them to behave.

After observing subordinates' citizenship behaviors, being fairly to them becomes further a reward for those appropriate behaviors. This reward-mechanism helps managers to establish repeated reciprocal relationships with their subordinates in the organization that improve managers' self-interest. Of course, one can argue that managers' justice behaviors are always an explicit or implicit psychological contract signed between managers and subordinates when subordinates join in the organization (e.g., Kickul, Neuman, Parker, & Finkl, 2002; Rousseau, 1989). Thus only the breach of organizational justice can incur subordinates' strong negative reaction, and the maintenance of justice cannot stimulate positive reaction because it is taken for granted. However, according to fairness heuristic theory (Lind, 2001), lack of managers' justice information always makes subordinates rely on other information as heuristics for the purpose of reducing uncertainty in the subordinate-manager interaction. So if managers' procedural justice behaviors are ready to be observed by subordinates, then there is less need for subordinates to look for substitutive heuristics. In other words, justice is a motivator factor instead of a hygiene factor according to Herzberg (1966). Subordinates are not

simply reactive to the absence of justice in a passive way; rather, they are motivated to be active by managers' justice behaviors. This justifies the reason why managers should behave fairly for the purpose of inducing positive actions from subordinates that could eventually result in a win-win relationship and meet managers' need for improving their self-interest.

Uncertainty management theory gives us another convincing argument why managers' long-term self-interest underlies their justice behaviors to subordinates, because it helps the managers to have a stable control over the interactions with subordinates. In a work setting, managers have an interdependent work relationship with subordinates, and the outcome of the managers at least partially depends on the cooperation of subordinates. In order to have a stable and predictable control over their own outcomes, managers have to rely on subordinates; thus, such dependence upon subordinates makes the manager adopt a fair treatment to subordinates. In addition, managers, being the authority figures of an organization or a group, generally invest more stakes to the organization/group than subordinates. Thus, the whole performance of the organization means much more to the managers than to subordinates. Comparing with subordinates, on the one hand, the gain of the organization as a whole results in a much greater benefit for the managers; on the other hand, the failure of the organization leads to a much greater loss for the managers. To behave procedurally fairly to subordinates will make it much easier for the manager to orient subordinates to the organization goals for which the manager accounts a relatively large proportion. So, being fair is a good choice for managers to guarantee that their long-term well-being is predictable and under control.

In addition to controlling over outcome, self-serving managers also try to make certain about the procedure of their decision makings. Granting voice to employees and considering their views have long been identified as a just behavior of superiors (Barry & Shapiro, 2000; Greenberg, 2000; Thibaul & Walker, 1975; Tyler, 1987). From the perspective of uncertainty management, a first glance seems to show that managers who grant voice to subordinates may lose control over procedures; however, under the interdependent context between managers and subordinates, subordinates' voice provides managers with important source of information for their decision makings. Subordinates' voice also provides mechanisms with which managers could use to improve their decision making quality, and this point is especially true for the procedural fairness. For example, Thibaut and Walker (1975) and Leventhal (1980) gave some rules such as consistency, bias suppression, accuracy and correctability to gauge whether managers behave procedurally fairly. In the eyes of subordinates, these rules are simply the indicators of managers' justice/injustice; however, the argument does not stop here. A further consideration indicates that these rules are also conducive to managers' long-term self-interest. Consistency and bias suppression guarantee that managers could obtain sufficient information for correct decision makings; accuracy and correctability imply that managers could stop a wrong decision in time and turn back to the correct route. All these rules help managers deal with managerial uncertainty in their jobs. Thus, the probability for managers to make correct decisions increase, which is in compliance with managers' long-term self-interest.

The relational concern is the second mechanism underlying managers' procedural justice enactments. Traditional views of the relational model especially emphasize that

people care about procedural justice because it affirms people's status with the group authority and that such status is important due to the reason that it acknowledges that they are valued members of the group (Brockner, Ackerman, Fairchild, 2001; Barry & Shapiro, 2000; Greenberg, 2000; Tyler, 1987). This logic also makes sense to managers. In the organizational settings, managers generally have higher status than subordinates, and they are more concerned with maintaining their higher status and positive self-perception (Chen, Brockner, & Greenberg, 2003) over subordinates. So managers value being a member of the group because the interaction with others in the same group generally affirms their importance and higher status, and it also makes salient their roles of representatives and key players of the group.

It turns out that procedural justice becomes a useful tool for maintaining higher status. This could be explained from two perspectives. Firstly, from the influence perspective of status, managers' justice behaviors make their status more legitimate and self-correct, which helps to maintain, verify, and enhance their existing self-perceptions. Secondly, from the respect of trust perspective of status, the manager's procedural justice behaviors not only help to keep a good personal relationship with subordinates but also create a cozy work environment in which managers can have positive moods and emotion. This could help managers have a positive image in front of subordinates and thus maintain current status.

Specifically, giving subordinates chance of voice is an effective tool for managers to maintain their positive self-perceptions and higher status. In contrary to the lower status people who are uncertain about the opportunities of expressing themselves and thus assign greater importance to determining how much to trust the other party, managers

generally take the control of granting voices. Even though managers may have other reasons than being fair to grant voice to subordinate, (for example, managers may give voice opportunities to subordinates simply because they want to have more information, in which case granting voice has nothing to do with *intentionally* behaving fairly), yet granting voice opportunities to subordinates is an essential component of being fair to subordinates. Giving voice opportunities sends a clear signal to subordinates that the activities of the managers are just and legitimate, and the managers have no intention to manipulate or exploit subordinates. This could help the managers to maintain and improve status before subordinates, establishing a just interpersonal image in the group and justifying the managers' authority; it could also solicit positive response from subordinates and result in a benevolent leader-member exchange. Of course, giving voice alone is not enough; rather, both giving voice and hearing it is the true indicator of being fair. But granting voice can still be regarded as a partially good indicator of justice even if its mapping on justice does not 100% match.

In addition, managers who neglect the positive relations with subordinates would probably not be trusted. Tyler and Blader (2000) indicated that an authority's trustworthiness is one important component of procedure fairness, and trust entails believing that the authority will try to do what is right for the subordinates, that is, will try to be fair. It is evident that a manager who cannot earn trust from subordinates can also not maintain a good relationship with subordinates, and his status in the group is also unstable. Thus, from the uncertainty management perspective, relational concern underlies managers' procedural justice because it helps managers win subordinates' trust and maintain a stable social order in the organization. One way that managers earn trust

from subordinates is by providing justification and explanations to make it clear that the managers listen to and consider the voices of their subordinates.

The last but not the least mechanism underlying managers' justice behaviors is managers' moral concern. This mechanism asserts that managers sometimes do have the altruism motivations to treat subordinates above their self-interest goals or their status concerns (Gillespie & Greenberg, 2005). Turillo et al (2002) claimed that people would make self-sacrificing allocations even in the absence of any benefits for doing so. Furthermore, Colquitt and Greenberg (2002) pointed out that virtuous deeds might be performed to avoid feelings of guilt. Managers may show fairness to subordinates simply because it is the *right* thing to, and without doing so the moral and ethical standards are violated. Thus, because people hold ethical values such as fairness, managers may engage in a kind of self-regulative behavior that affirms the ethical values during the course of encounters with subordinates.

However, when researchers claim that the above-mentioned three mechanisms underlie managers' justice behaviors, there are still some concerns that should be pointed out. For example, Goodwin and Fiske (1993) found that people with power have a tendency to decrease attention to others; managers who are always the powerful part in the organization may not have too much incentive to pay attention to the subordinates. In this case, it is possible that a self-interest driven manager does not think it is an urgent issue to treat subordinates fairly. From the perspective of relational concerns, it is also possible that a manager may become attentionally overloaded by attending too many underlings. It becomes easy for a manager who is under such overload to ignore voices from subordinates (Fiske, 1993). Korsgaard, Roberson and Rymph (1998) also argued

that decision makers attempt to distance themselves from those affected by their decisions. This makes it rather difficult for managers to act fairly because they might believe that acting in a fair manner will result in a loss of control or in a loss of status and authority (Folger, 1993). Even though there are some opposite arguments in the literature, it is still true that managers consider their fair treatment to subordinates by referring to these three underlying mechanisms.

2.2 Trustworthiness

Mayer et al (1995) defined trust as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party" (p. 712). Trustworthiness refers to the extent to which the other party can be trusted. Given that behavior generally is a function of people's motivation and their ability, it follows that judgments of trustworthiness consist of the trustor's beliefs about the trustee's motivation and ability to behave in a trustworthy fashion. Mayer et al.'s (1995) three-factor model of perceived trustworthiness (ability, benevolence, and integrity) is consistent with this reasoning.

Ability refers to the trustor's beliefs about the trustees' knowledge, skills and competencies, and thus the trustees' capability of behaving in a trustworthy fashion. Just because trustees are motivated to behave in a trustworthy fashion does not mean that they will do so; they need to have the requisite ability to carry out the behavior. Benevolence

and integrity are similar in that they both refer to the trustor's beliefs about whether trustees have the motivation to act in a trustworthy fashion. However, there is an important distinction between benevolence and integrity as well. As Mayer et al. (1995) suggest, benevolence is "the extent to which a trustee is believed to want to do good to the trustor" (p. 718), whereas integrity "involves the trustor's perception that the trustee adheres to a set of principles that the trustor finds acceptable" (p. 719). Thus, benevolence refers to a judgment about *the relationship between* the trustor and the trustees, i.e., the extent to which the trustor believes that the trustees have the trustor's best interests at heart.

Integrity, in contrast, is not relationship-based; it refers to a judgment about trustees as an entity *separate from* the trustor, e.g., the extent to which trustees are honest and reliable, and therefore can be counted on to do the right thing. Whereas trustors' judgments of trustees' benevolence and integrity tend to be positively related to one another, the two constructs are not identical. It is possible for a trustor to judge trustees as high in benevolence and low in integrity, and vice versa. For example, in positive long-term working relationships managers may perceive their direct reports to be high in benevolence ("my employees are loyal *to me* and what *I* stand for") and low in integrity ("I do not necessarily see them as *dispositionally* honest and reliable"). In other instances, trustors may believe that the trustees are dispositionally honest and reliable (that is, they have high integrity), and yet also believe that the trustees do not necessarily have the trustor's best interests at heart (low benevolence). As I explain further below, the distinction between these two facets of trustworthiness leads to different predictions

about how the two facets are related to managers' tendencies to enact procedural justice towards the group of people reporting to them.

2.3 Managers' Interests

Our predictions are undergirded by a conception of managers trying to satisfy distinct but related goals. On the one hand, managers are task-oriented. They need to ensure that the group of people reporting to them accomplishes its work effectively. On the other hand, managers are relationship-oriented. Managers do not work only for task-oriented or economic reasons. They are motivated by a variety of social psychological desires such as the need to belong, the need for inclusion, and the need to be held in high regard. One way to ensure satisfaction of their various social psychological motives is for managers to foster harmonious working relationships between themselves and their group of direct reports. The conception of managers trying to satisfy both task-oriented goals and relationship-oriented goals — a viewpoint with a rich history in the leadership literature (e.g., Blake & Mouton, 1964; Stogdill, 1974) — informed the predictions I make below about the relationship between the perceived trustworthiness of their group of subordinates and managers' enactment of procedural justice towards the group.³

2.3.1 Benevolence

Benevolence refers to how much managers believe that their subordinates have managers' best interests at heart, either in managers' roles as agents of the organization

or on a more personal level. The more that a group of subordinates is perceived to be high in benevolence, the more it behooves managers to cultivate and maintain positive relationships with the group. By cultivating and maintaining positive relationships with a group of direct reports high in benevolence, managers may accomplish their task-oriented goals (i.e., benevolent subordinates are likely to act in their managers' best interests) and their relationship-oriented goals (e.g., having positive relationships with benevolent subordinates will satisfy managers' need for positive relations). One way for managers to cultivate and maintain positive relationships with a benevolent group of direct reports is by showing procedural justice towards the group. Indeed, the norm of reciprocity inherent to social exchange theory suggests that managers should show greater procedural justice to a group of direct reports who are more supportive of them (Chen, Chen, & Portnoy, 2009; Fiske, 1992; Flynn, 2005; Gouldner, 1960). By showing high procedural justice to a group of benevolent subordinates, managers are essentially "returning the favor."

Hypothesis 1: Managers will exhibit more procedural justice towards a group of subordinates who they see as having greater benevolence trustworthiness.

2.3.2 Integrity

Unlike with benevolence, a group of subordinates perceived to be *low* in integrity may elicit greater procedural justice from their manager. Subordinates low in integrity are perceived to not have an acceptable set of values (e.g., they are likely to be seen as dishonest or unreliable), and therefore may not be counted on to act in ways that the manager finds appropriate. Consequently, managers may believe that they have to control

their low integrity subordinates. For instance, low integrity individuals may try to find loopholes in the system and thereby engage in "gaming" or otherwise disruptive behaviors (Rousseau & McLean Parks, 1993; McKenna, 1994). One way in which managers may be able to control low integrity subordinates is by consistently applying organizational policies and procedures, in other words, by acting with high procedural justice. Indeed, an important function of organizational procedures (and, by extension, the fair application of them) is to ensure internal control and to prevent or correct misconduct (Daft, 2009; Katz & Kahn, 1978).

In contrast, a group of subordinates high in integrity do not need to be treated with vigilant application of procedures and policies; their honesty and reliability suggests that they can be depended on to behave in ways acceptable to managers and in compliance with organizational policies and procedures. Justice is not free. In order to enact procedural justice in organizations, managers have to devote time, mental and physical efforts, and other scarce resources to such justice behaviors. Hence, it is meaningful for managers to put their resources to those subordinates who need to be "kept on track" (i.e., those low integrity subordinates) rather than those who do not need to be controlled. Moreover, unlike in the case of benevolence, in which managers may be motivated to reciprocate the support of their direct reports by being procedurally fair in return, managers may be less motivated to reciprocate in this way to integrity-based trustworthiness. Benevolence-based trustworthiness is perceived to be relational; it is directed towards managers in particular. In contrast, integrity-based trustworthiness is more universalistic because it emanates from trustees' inherent nature. Thus, if managers believe that high integrity subordinates would behave in a trustworthy fashion towards

anyone, they may not be as motivated as they would be in the case of benevolence trustworthiness to reciprocate by showing high procedural justice in return.⁴

Hypothesis 2: Managers will exhibit more procedural justice towards a group of subordinates who they see as having less integrity trustworthiness.

2.3.3 Ability

If the reasoning thus far is correct, then managers' judgments of their subordinates' ability should moderate both of the relationships set forth in Hypotheses 1 and 2, such that the predicted effects should be exhibited more strongly when the group of people reporting to managers are seen as higher in ability. In the case of benevolence I suggested that to accomplish their task-oriented goals, managers are well-advised to cultivate and maintain positive relationships with the group of people reporting to them who have their best interests at heart, and that managers could do so by treating the group with high procedural justice; this reasoning may account for the predicted positive relationship between subordinates' benevolence and managers' procedural justice set forth in Hypothesis 1. The predicted positive relationship between subordinates' benevolence and managers' procedural justice is expected to be more pronounced when subordinates also are seen as relatively high in ability trustworthiness. That is, managers may be particularly likely to achieve their task-oriented goals by cultivating and maintaining positive relationships with a group of direct reports that is both motivated (benevolence) and able (ability) to behave in a trustworthy fashion.

Furthermore, the norm of reciprocity also may account for the positive relationship between subordinates' benevolence and managers' procedural justice. If so, then the positive relationship between subordinates' benevolence and managers' procedural justice also may be stronger when subordinates are higher in ability trustworthiness. That is, managers may experience the need to reciprocate even more intensely in response to a benevolent group that also is higher in ability. By virtue of its greater capability, this group may have done more to advance the managers' goals in the past, and it may be seen as more likely to advance the managers' goals in the future.

In sum, managers have both task-oriented and relationship-oriented reasons to cultivate and maintain positive relations with the group of people reporting to them when the latter are high in benevolence. Managers may be better able to satisfy both their task and relationship goals by exhibiting greater procedural justice towards a more benevolent group of subordinates who also are higher in ability trustworthiness. Put differently, the previously predicted tendency for higher benevolence to elicit greater managerial procedural justice should be stronger when subordinates are seen as higher in ability.

Hypothesis 3: Ability will moderate the positive relationship between the perceived benevolence of a group of subordinates and managers' procedural justice towards the group, such that the predicted effect set forth in Hypothesis 1 will be more pronounced when the group is seen as higher in ability.

In the case of integrity I suggested that managers may exhibit more procedural justice to a group of subordinates low in integrity in an attempt to minimize potential disruption or to "rein them in." Those high in integrity do not need to be reined in; their

honesty and reliability suggest that they can be counted on to do the right thing by their very nature. Thus, the greater procedural justice that managers may show to a group of lower integrity subordinates represents managers' attempts to control their subordinates, by inducing them to feel more aligned with the managers' or their organizations' goals. If this reasoning is correct, then managers should feel more inclined to control a group of lower integrity subordinates that also is relatively high in ability. Relative to a group of lower integrity/higher ability subordinates could be particularly disruptive; the latter group is not reliable and honest, and yet they do have capabilities and skills. As a result, lower integrity/higher ability subordinates may especially be seen by their managers as a force to contend with or control. By exhibiting high procedural justice towards them, managers may be more likely to align them with the managers' or organizational goals. In sum, the previously predicted tendency for lower integrity trustworthiness to elicit higher managerial procedural justice should be stronger when the group of subordinates is seen as higher in ability.

Hypothesis 4: Ability will moderate the inverse relationship between the perceived integrity of a group of subordinates and managers' procedural justice towards the group, such that the predicted effect set forth in Hypothesis 2 will be more pronounced when the group is seen as higher in ability.

2.3.4 Need to Belong

If the interactive relationship between benevolence and ability were due to a relational process (in which managers exhibited higher procedural justice to more

benevolent subordinates, particularly when their ability was relatively high, in the service of cultivating or maintaining the relationship with their direct reports), then the interactive relationship between benevolence and ability should be stronger when managers assign greater importance to their relationship with their direct reports.

One construct reflecting the degree of importance that managers assign to the relationship with their direct reports is managers' need to belong. According to Baumeister and Leary (1995), "the belongingness hypothesis is that human beings have a pervasive drive to form and maintain at least a minimum quantity of lasting, positive, and significant interpersonal relationships" (p. 497). Whereas Baumeister and Leary suggested that the need to belong is a fundamental human motivation, Leary et al. (2001) suggested that there are individual differences in people's need to belong (and they also developed a scale to measure such differences). If the interactive effect of benevolence and ability on managers' procedural justice reflects managers' attempts to cultivate or maintain relationships with their direct reports, then the interactive effect should be more pronounced among managers who are relatively high in the need to belong.

Hypothesis 5: There will be a three-way interaction between benevolence, ability, and managers' need to belong: the interactive relationship between benevolence and ability set forth in Hypothesis 3, in which the positive relationship between benevolence and procedural justice is stronger when ability is relatively high, will be exhibited to an even greater extent among managers higher in the need to belong.

2.3.5 Need for Control

Integrity refers to managers' beliefs about the makeup of their direct reports, that is, the extent to which managers perceive their group of subordinates to be driven by a set of values that managers find acceptable, such as honesty and reliability. The above reasonings in the current dissertation argued that managers who judged their group of subordinates as lower in integrity exhibited higher procedural justice towards them, particularly when the group was relatively high in ability (Hypothesis 4). Our reasoning was that high integrity subordinates can be counted on to behave in a trustworthy fashion due to their character. This is less likely to be the case for subordinates who are low in integrity. As a result, managers need to exhibit more procedural justice to their low integrity subordinates to align them with their own or the organization's goals. Said differently, low integrity subordinates need to be controlled, and especially so if they also happen to be higher in ability, lest they "do their managers in."

Thus, I suggest that the interactive relationship between integrity and ability reflected managers' motivation to control their direct reports, in the sense of inducing them to behave in non-disruptive ways that support the managers' goals or those of the organization. Managers exhibited higher procedural justice to subordinates relatively low in integrity, and particularly so when subordinates were higher in ability. If the integrity x ability interaction emanates from managers' attempts to control their direct reports in the way described above, then this interaction effect should be stronger when managers are more motivated to control their direct reports. One construct reflecting managers' motivation to control their direct reports is the need for control. Those high in the need for control are "motivated to control the events in their lives, to make their own decisions, take on leadership roles in group settings, and react strongly when their perception of

personal control is threatened" (Burger, 1990; p. 33). Burger and Cooper (1979) also developed an individual difference measure of the need for control. If the interactive effect of integrity and ability on managers' procedural justice reflects managers' attempts to control their direct reports, then the interactive effect should be more pronounced among managers who are relatively high in the need for control.

Hypothesis 6: There will be a three-way interaction between integrity, ability, and managers' need for control: the interactive relationship between integrity and ability set forth in Hypothesis 4, in which the negative relationship between integrity and procedural justice is stronger when ability is relatively high, will be exhibited to an even greater extent among managers higher in the need for control.

2.4 The Present Studies

Hypothesis 1 – 4 were tested in two studies with different research methods. Chapter 3 consisted of a role-playing study in which participants (playing the role of managers) were randomly assigned to different conditions of subordinates' trustworthiness along the dimensions of benevolence, integrity, and ability. The dependent variable was the extent to which participants were motivated to exhibit procedural justice towards their group of subordinates. Chapter 4 consisted of a field survey, in which the independent variables included managers' perceptions of the benevolence, integrity, and ability of their group of subordinates; the dependent variable was subordinates' aggregated perceptions of their managers' procedural justice. Thus, the research designs of Chapter 3 and 4 complemented one another: Study in Chapter 3 had high internal validity, but raised questions about whether the results would generalize to an actual field setting. Study in Chapter 4, while low in internal validity, was conducted

in a naturalistic setting. If similar results emerge from two studies conducted in these very different ways, this research will gain increased confidence in the internal, external, and construct validity of the findings. Hypothesis 5 & 6 were tested in Field Study described in Chapter 4.

Chapter 3. Scenario Study

3.1 Method

3.1.1 Participants and Research Design

A total of 118 Executive MBA students from a graduate business school in Beijing, China, participated in the study. Most (87%) of the participants held senior positions of either General Manager or CEO in their companies; the remaining were midlevel managers. They had, on average, more than 19 years of work experience; 89% were male.

I constructed the following scenario based on a focus group discussion with my advisor conducted prior to the study, which ensured that the scenario was appropriate and relevant to the context in which the hypotheses were tested. All materials were administered in Chinese, having been translated from English to Chinese. The Chinese version was then back-translated (Brislin, 1980). Any errors or disagreements in translation were then corrected or resolved by my advisor and I.

The scenario depicted a workplace layoff situation in which participants were asked to imagine being a senior executive who was assigned the responsibility of laying off most of his work team due to the adverse effect of the recent global financial crisis on the firm's profitability. As described below, a reasonable amount of information was provided to participants to make the scenario more realistic. To heighten realism further, the role that participants were asked to play was congruent with their actual work roles as seasoned executives. Participants were instructed to "read the following scenario"

regarding an important corporate layoff decision in a company. Put yourself in the role of the focal person in the situation as it is described in the scenario."

The scenario itself read as follows:

"The China Medical Instrument Manufacturing is one of the largest state-owned companies in Tianjing, China. The company has close cooperation with international pharmaceutical giants such as J&J and Pfizer, providing technological support and aftersale services for medical instruments sold by these big pharmas in the Chinese market. The company has more than 5,000 employees and has business all over China. You are the vice-president of the company's R&D department, and you supervise a 30-member R&D team. Your team is responsible for technology standardization, integration of medical software, and in-house development of instrument parts.

In the past year and a half, your company has faced severe competition from both inside China and abroad. The global economy is in a recession and the contracts your company won decreased on a large scale. What makes things worse is that those international giant pharmaceutical companies cut their cooperation with your company dramatically, and some of them stopped buying your technological support for their medical instruments. Although the recent (U.S.) national healthcare reform is somewhat reassuring about your company's long-term business prospects, the challenges are much greater than opportunities. Your company has to cut budgets, reorganize the operation, and layoff some employees.

Due to the drastically reduced cooperation with international pharmaceutical companies, your department has been severely hurt. The business of your department has

been reduced by two-thirds and your employees have nothing to do. In order to reduce costs, the company decides to layoff most of your employees and authorizes you to carry it out."

Information about their subordinates' ability, benevolence, and integrity was presented next, in that order. The content of these manipulations was based explicitly on the items developed by Mayer and Davis' (1999) to capture ability, benevolence, and integrity trustworthiness. Participants were randomly assigned to one of eight conditions created by a 2 x 2 x 2 factorial design.

Ability Manipulation. In the high ability condition, participants were told:

Before you draw your layoff plan, you realize the following characteristics of your employees: generally speaking, your employees are very capable of performing their jobs. They have much knowledge about the work that needs to be done. In fact, they are known throughout the company to be successful at the things they are doing, and they have the specialized capabilities to do the jobs. Thus, you are very confident about your employees' work skills.

In the low ability condition, participants were told:

Before you draw your layoff plan, you realize the following characteristics of your employees: generally speaking, your employees are not capable of performing their jobs. They do not have the necessary knowledge about the work that needs to be done. In fact, they are known throughout the company to perform poorly at the things they are

doing, and they do not have the specialized capabilities to do their jobs. Thus, you are not confident about your employees' work skills.

Benevolence Manipulation. In the high benevolence condition, participants were told:

In addition, your employees are very concerned about your needs and desires. They care about your welfare and go out of their way to help you. They also look out for what is important to you. What they do in the company generally is beneficial for you.

In the low benevolence condition, participants were told:

Moreover, your employees are not concerned about your needs and desires in workplace. They do not care about your welfare and seldom help you benevolently. They never bother to concern themselves with what's important for you in work. What they do in the company generally is not beneficial for your prestige and position at all.

Integrity Manipulation. In the high integrity condition, participants were told:

Furthermore, you trust your employees' integrity and like their values. In their work, they use sound principles to guide their behavior. In general, they have a strong sense of justice and try hard to be fair in dealings with others. You never worry about whether they will stick to their words or whether their behavior will be consistent.

In the low integrity condition, participants were told:

Furthermore, you do not trust your employees' integrity and do not like their values. In their work, they do not use sound principles to guide their behavior. In general, they do not have a strong sense of justice and are not fair in dealings with others. You sometimes worry about whether they will stick to their words and whether their behavior will be consistent.

After reading the scenario participants completed a survey in which they were asked to indicate how much of 300,000 RMB Yuan they would be willing to give to their subordinates as severance pay. Responses could range in 50,000 RMB increments along a seven-point scale, such that the endpoint of "1" referred to 0 RMB and the endpoint of "7" referred to 300,000 RMB. After answering this question, they were asked a series of questions which constituted the main dependent variable: the extent to which they were motivated to act with high procedural justice towards their group of subordinates when planning and implementing the severance pay decision. Furthermore, prior to the severance pay question, participants completed manipulation checks.

3.1.2 Measures

All items were assessed on a six-point Likert scale with endpoints of "not at all" and "very much."

Manipulation Checks. For ability, participants were asked, "In this scenario, to what extent do you feel that you could trust your subordinates' work ability?" To check on benevolence, participants were asked, "To what extent do you feel that your subordinates really care about your welfare and interests in the company?" The item used

to check on the integrity manipulation was, "To what extent do you feel you can trust your employees' integrity?"

Dependent Variable. Participants completed a three-item scale adapted from Blader and Tyler's (2003) informal/decision-making procedures measure in which they indicated how motivated they were to exhibit high procedural justice when making the severance pay allocation decision. These items were: "When you decided on the allocation of the severance money, to what extent did you feel that you had to be consistent across people and situations," "When you decided on the allocation of the severance money, to what extent did you feel that your decision had to be made based on facts, not your personal biases and opinions," and "When you decided on the allocation of the severance money, to what extent did you think you should make your allocation decision equally fair to everyone" Scale endpoints were "not at all" (1) and "a great deal" (6). Coefficient alpha was .84.

Control Variables. In the current dissertation, I controlled for participants' sex (1 = male vs. 2 = female), age (1 = 20-30 years, 2 = 30-40 years, 3 = 40-50 years, 4 = greater than 50 years), managerial level (1 = middle, and 2 = high, as all of the participants were either middle- or high- level managers), and the amount of money that participants were willing to allocate to their subordinates as severance pay.

3.2 Results and Test of Hypotheses

3.2.1 Manipulation Checks

Participants in the high ability condition viewed their subordinates as significantly more able than those in the low ability condition (Ms = 5.71 vs. 3.47, respectively; F(1, 116) = 120.05, p < .001). Moreover, participants in the high benevolence condition perceived their subordinates as more benevolent than did those in the low benevolence condition, (Ms = 4.39 vs. 3.38; F(1, 116) = 16.12, p < .001). Finally, participants in the high integrity condition perceived their subordinates as higher in integrity than did their counterparts in the low integrity condition (Ms = 5.30 vs. 3.60, F(1,116) = 60.72, p < .001). Thus, all three manipulations were successful. Furthermore, there were no other main effects or interaction effects of the other types of trustworthiness factors on each of the focal trustworthiness manipulation checks.

3.2.2 Tests of Hypotheses

A hierarchical multiple regression analysis was performed on managers' procedural justice. In the first step I entered simultaneously all of the control variables as well as the three independent variables of ability, benevolence, and integrity. In the second step, all of the two-way interactions between the three independent variables were added.

As can be seen in Table 1, a significant positive main effect of benevolence (F(1, 108) = 8.99, p < .01), and a significant negative main effect of integrity (F(1, 108) = 3.98, p < .05) were found. Consistent with Hypothesis 1, participants were more motivated to act with procedural justice when their subordinates were high rather than low in benevolence (Ms = 5.02 vs. 4.22, respectively). In support of Hypothesis 2, participants

were more motivated to act with procedural justice when their subordinates were low rather than high in integrity (Ms = 4.79 vs. 4.42, respectively).

Furthermore, both the two-way interaction of benevolence x ability (F (1, 105) = 7.22, p < .01), and the two-way interaction of integrity x ability (F (1, 105) = 4.15, p < .05) were significant. The nature of these interaction effects are revealed in Figures 1 and 2, respectively. The positive relationship between subordinates' benevolence and managers' motivation to act with procedural justice was significant when ability was high (simple effect F(1, 105) = 10.79, p < .01), whereas there was no significant relationship between benevolence and procedural justice when ability was low (simple effect F(1, 105) = 1.02); this pattern lends support to Hypothesis 3. In addition, the negative relationship between subordinates' integrity and managers' motivation to act towards the group with procedural justice was significant when ability was high (simple effect F(1, 105) = 7.20, p < .01), whereas there was no relationship between integrity and procedural justice when ability was low (simple effect F(1, 105) < 1); these findings lend support to Hypothesis 4.

3.3 Discussion

The results of the scenario study supported all four hypotheses (H1 - H4). As predicted, participants were more motivated to exhibit procedural justice when their group of subordinates was high in benevolence (Hypothesis 1) and low in integrity (Hypothesis 2). Furthermore, the positive relationship between subordinates' benevolence and participants' motivation to exhibit procedural justice was stronger when subordinates were relatively high in ability (Hypothesis 3), and the negative relationship between

subordinates' integrity and participants' motivation to exhibit procedural justice was stronger when subordinates were relatively high in ability (Hypothesis 4).

In summary, the scenario study provided us with the basic causal evidence about the relationship between subordinates' perceived trustworthiness and managers' procedural justice *intent*. However, whether the findings in Chapter 3 could be repeated in a real-life work organization and really disclose the factual manager-subordinate daily interaction is still in doubt. Therefore, In Chapter 4, a field study was designed and carried out to address the shortcoming of the scenario study. Moreover, different operations of the independent and dependent variables and a different sample in the study will further test the robustness of the result patterns in the scenario study. Finally, it would also provide us an opportunity to examine the influence of those dispositional factors (i.e., managers' need to belong and need for control) on the interaction effects between different types of trustworthiness this dissertation predicted above.

Chapter 4. Field Study

4.1 Introduction

The field study was designed to build on the promising results of the scenario study in Chapter 3 in several important respects. First, an important purpose of the field study is to evaluate the generalizability of the previous findings. Whereas participants in the scenario study consisted of seasoned executives who viewed the scenario presented to them as realistic, participants merely indicated how they would respond to a hypothetical situation. Moreover, the situation itself was fairly specific, that is, I examined managers' procedural justice when implementing a severance pay decision in the context of layoffs. Therefore, it is important to evaluate whether the results of the scenario study emerge when the hypotheses are tested in an actual work setting, and one that is not restricted to layoff-related decision-making. It also is worth noting that the dependent variable in the scenario study consisted of how motivated participants said they were to show procedural justice towards their subordinates. It is important to replicate the results of the scenario study when judgments of managers' procedural justice were made by those on the receiving end, namely, the subordinates themselves.

The study in this chapter consisted of a field survey in which independent variables included managers' perceptions of the benevolence, integrity, and ability of their group of subordinates, and the dependent variable was subordinates' perceptions of managers' procedural justice. Moreover, subordinates' perceptions of their managers'

procedural justice were not context-specific; they referred to their managers' behavior in general.

Second, and of far greater theoretical significance, this study attempted not only to replicate the results of the scenario study but also to extend them by further examining the psychological processes through which managers' judgments of their subordinates' benevolence, integrity, and ability affected managers' procedural justice. In order to do so, the field study in Chapter 4 included several moderators of the two-way interaction predictions in Chapter 2: managers' need to belong (Leary et al., 2001), which was expected to moderate the interaction between benevolence and ability (set forth in Hypothesis 3), and managers' need for control (Burger & Cooper, 1979), which was expected to moderate the interaction between integrity and ability (set forth in Hypothesis 4). The theoretical rationale for including these moderator variables is developed in Chapter 2. For now, suffice it to remember that this dissertation is positing that managers enact procedural justice for multiple reasons, namely, to cultivate and maintain positive relationships with their benevolent direct reports (implicit in Hypothesis 3), and also to control direct reports who cannot be trusted on their own to behave in accordance with managers' or organizational goals (implicit in Hypothesis 4). Therefore, if managers' need to belong moderates the relationship set forth in Hypothesis 3, and if their need for control moderates the effect put forth in Hypothesis 4, the field study will: (a) shed additional light on the mechanisms underlying the present findings, and in so doing, (b) provide additional evidence that managers may exhibit high procedural justice for different reasons.

4.2 Method

4.2.1 Participants and Procedure

Participants included a matched sample of 98 department/line managers and 281 subordinates working for those managers from a large state-run telecommunication company in China. The Human Resource director of the company helped us select a sample of 102 managers and a sample of subordinates working for these 102 managers. Only four of the managers were unable to take part in the study, due to their hectic traveling schedule. Our response rate, thus, was a sizable 96%.

For each manager and his/her subordinate work group unit, I assigned a unique number code to ensure accurate matching and confidentiality of the data from both sides. To further ensure anonymity I explicitly indicated to subordinates that their managers did not know the number and identities of the subordinates who were asked to evaluate their managers' procedural justice, and that the selected subordinates within a given work unit also did not know the number and identities of other subordinates who were asked to evaluate the same manager. Managers made assessments of the benevolence, integrity, and ability of their subordinates overall. For all managers, 2-4 of their direct reports completed a questionnaire which included measures of their particular managers' procedural justice.

4.2.2 Measures

All materials were administered in Chinese. They were translated from English to Chinese based on the same back-translation procedure used in Study 1. All survey items were assessed on six-point Likert scales, in which the scale endpoints were "strongly disagree" (1) and "strongly agree" (6). Coefficient alphas appear in Table 2.

Independent Variables. Measures of subordinates' benevolence, integrity, and ability were adapted from Mayer and Davis (1999). Sample items for benevolence trustworthiness were: (1) "My subordinates as a whole take my needs and desires seriously" and (2) "My subordinates as a whole really look out for what is important to me." Sample items for integrity were: (1) "My subordinates as a whole have a strong sense of justice" and (2) "I never have to wonder whether my subordinates will stick to their words." Sample items for ability were: (1) "My subordinates as a whole are very capable of performing their jobs" and (2) "I feel very confident about my subordinates' skills as a whole." To evaluate whether participants perceived three distinct aspects of trustworthiness among their group of subordinates, a confirmatory factor analysis on the trustworthiness items was conducted. The three-factor model of trustworthiness demonstrated excellent fit to the data ($\chi^2 = 112.66$, df = 107, CFI = .93, NFI = .96, and RMSEA = .023). The fit of the three-factor model also was significantly better than the one-factor model ($\Delta \chi^2$ (3) = 378.52, p<0.001).

Individual difference variables. The measure of managers' need for control was based on Burger and Cooper's (1979) scale. Sample items were: "I strive to gain more

control over the events around me at work," and, "I strive to be in command when I work in a group." The measure of need to belong was based on the scale used in previous research (DeCremer & Blader, 2006; Leary, Kelly, Cottrell, & Schreindorfer, 2001). Sample items were: "I have a strong need to belong" and "I want other people to accept me".

Dependent Variables. As in Study 1, subordinates' perceptions of their managers' procedural justice consisted of the three items from the informal/decision-making procedures sub-scale developed by Blader and Tyler (2003). A sample item was, "My supervisor's decisions are consistent across people and situations." Coefficient alpha was .94.

To evaluate whether it would be appropriate to aggregate individual subordinates' evaluations of the same manager, I conducted inter-rater reliability among subordinates within each work group. The intra-class correlation (ICC(1)) of managers' procedural justice was 0.23, (with a 95% confidence interval between 0.09 and 0.37), falling well within the common and acceptable range of .20 and .30 in field research (Bliese, 2000; James, 1982; Shrout & Fleiss, 1979). In addition, a one-way analysis of variance with work group unit as an independent variable was significant F(97, 183)=1.87; p < .001. These results suggest that it is appropriate to aggregate subordinates' responses. Accordingly, I computed average scores of managers' procedural justice across subordinates evaluating the same manager in the analyses reported below.

Control Variables. As in Study 1, this study included managers' gender (1 = male vs. 2 = female), age, and their managerial level in the company (1 = lower, 2 = middle, and 3 = higher) as control variables in the analyses below.

4.3 Results and Tests of Hypotheses

Summary statistics are presented in Table 2.

Hierarchical multiple regressions were conducted on subordinates' assessments of their manager's enactment of procedural justice. In the first step I entered simultaneously the control variables of managers' gender, age, and hierarchical level in the company, and the independent variables of managers' perceptions of subordinates' benevolence, integrity, and ability, along with managers' need to belong and need for control. In the second step, I added all of the two-way interactions between the five independent variables, and in the third step, I entered the predicted three-way interactions: (1) benevolence x ability x need to belong (Hypothesis 5), and (2) integrity x ability x need for control (Hypothesis 6).

As can be seen in Table 3, Model 1, there was a positive main effect of benevolence (β = .46, p < .05), and a negative main effect of integrity (β = -.43, p < .05). In support of Hypothesis 1, the higher the managers deemed their group of subordinates to be on benevolence, the more likely were they to exhibit procedural justice to their subordinates. Consistent with Hypothesis 2, the less managers saw their group of subordinates as having integrity, the more likely were they to exhibit procedural justice to them.

Model 1 also revealed a significant main effect of need to belong (β = -.52, p < .01), such that managers with more of a need to belong exhibited lower procedural justice. One possible explanation of this finding is based on the fact that those high in the need to belong differentiate others into those who accept them versus those who reject them, due to their chronic concern about social acceptance and rejection (Leary & Hoyle, 2009). As a result, they may be seen as less procedurally fair, e.g., they may not be consistent in applying decision rules.

Furthermore, the second step (see Table 3, Model 2) revealed the predicted two-way interaction effects: benevolence x ability (β = 1.16, p < .01), and integrity x ability (β = -1.38, p < .01). To specify the nature of the interaction effect between benevolence and ability, and between integrity and ability, I plotted regression lines showing the relationship between each of benevolence and integrity and managers' procedural justice at a high level of ability (one standard deviation above the mean) and at a low level of ability (one standard deviation below the mean; Aiken & West, 1991). As shown in Figure 3, the relationship between subordinates' benevolence and managers' procedural justice was positive when subordinates' ability was high; moreover, this relationship was significant (simple slope β = .36; t(88) = 2.67, p < .01). In contrast, when subordinates' ability was low, their benevolence was unrelated to their managers' procedural justice (simple slope β = -.13; t(88) = -.82). These findings lend support to Hypothesis 3.

Figure 4 shows the nature of the interaction effect between integrity and ability. As can be seen, when ability was high (one standard deviation above the mean), the relationship between integrity and managers' procedural justice was negative; moreover,

this relationship was significant (simple slope $\beta = -.43$; t(88) = -2.32, p < .05). In contrast, when ability was low (one standard deviation below the mean), the relationship between integrity and procedural justice was not significant (simple slope $\beta = 0.10$; t(88) = 0.75). Thus, Hypothesis 4 also was supported.

There were several other significant two-way interactions, in particular benevolence x need to belong (p < .01), and integrity x need to belong (p < .05), such that the aforementioned positive (negative) main effect of benevolence (integrity) was exhibited more strongly by those relatively high in the need to belong. The interaction between benevolence and need to belong is subsumed by the three-way interaction between benevolence, ability, and need to belong (Hypothesis 5), which will be presented momentarily; further research is needed to explain the unexpected interaction between integrity and need to belong.

As can be seen in Table 3, Model 3, both of the three-way interactions (benevolence x ability x need to belong, Hypothesis 5; and integrity x ability x need for control, Hypothesis 6) were highly significant, $\beta s = .79$ and -1.69, respectively, both p values < .001. Indeed, together the three-way interaction effects explained an additional 27% of the variance in managers' procedural justice. To illustrate the nature of these three-way interaction effects I drew on procedures recommended by Dawson and Richter (2006), in which I generated regression lines showing: (1) the interactive effect of benevolence and ability on managers' procedural justice at a high level of need to belong (one standard deviation above the mean) and at a low level of need to belong (one standard deviation below the mean), and (2) the interactive effect of integrity and ability on managers' procedural justice at a high level of need for control (one standard

deviation above the mean) and at a low level of need for control (one standard deviation below the mean).

Figure 5 (Panel B) shows that the interactive relationship between benevolence and ability emerged when managers' need to belong was high, $\beta = .51$, t(86) = 2.90, p < .01. Moreover, among those high in the need to belong, simple slope analyses showed that benevolence was positively related to procedural justice when ability was high, $\beta = .83$, t(86) = 2.42, p < .05, but not when ability was low, $\beta = -.27$, t(86) = -.72, n. s.

As can be seen in Figure 5 (Panel A), when need to belong was low (one SD below the mean), benevolence and ability did not interact with each other, $\beta = .06$, t(86) = .40, n.s. Indeed, when need to belong was low, benevolence was unrelated to procedural justice, regardless of ability. In summary, Hypothesis 5 was supported.

Figure 6 (Panel B) shows that the previously mentioned interactive relationship between integrity and ability emerged when managers' need for control was high, $\beta = -0.67$, t(86) = -2.88, p < .01. Moreover, among those high in the need for control, simple slope analyses showed that integrity was negatively related to procedural justice when ability was high, $\beta = -1.01$, t(86) = -4.07, p < .001, but not when ability was low, $\beta = .47$, t(86) = 1.32, n.s.

As can be seen in Figure 6, Panel A, when need for control was low (one SD below the mean), integrity and ability did not interact with each other, $\beta = -.16$, t(86) = -1.04, n.s. When need for control was low, integrity was unrelated to procedural justice, regardless of ability. In short, Hypothesis 6 was supported.

4.4 Discussion

Taken together, the results of both Scenario Study and Field Study lent strong support for Hypotheses 1-4. Benevolence was positively related to managers' procedural justice, whereas integrity was inversely related to managers' procedural justice. Moreover, both of these effects were exhibited to a greater extent when subordinates were seen as high rather than low in ability. What makes these findings particularly striking is that they emerged in the context of different, yet complementary research designs. Study 1 was a role-playing study in which participants (seasoned executives) indicated the procedural justice with which they would implement an important organizational decision. The independent variables of subordinates' benevolence, integrity, and ability were experimentally manipulated, thereby imbuing the findings with a high degree of internal validity. However, participants merely responded to a hypothetical situation, which raises the question of whether the results generalize to an actual organizational setting. The study in Chapter 4, in contrast, was based on a field survey in which I independently assessed subordinates' benevolence, integrity, and ability (as judged by their managers) and managers' procedural justice (as judged by their subordinates). The fact that highly consistent results pertaining to Hypotheses 1-4 emerged across very different research settings bodes well for the validity and generalizability of the findings.

Moreover, the moderating effects of: (1) managers' need to belong on the twoway interaction between benevolence and ability, as set forth in Hypothesis 5, and (2) managers' need for control on the two-way interaction between integrity and ability, as set forth in Hypothesis 6, provide further insight into the mechanisms accounting for the present findings. This research suggested that the positive relationship between managers' perceptions of their subordinates' benevolence and the procedural justice they exhibited to their subordinates reflected managers' desire to cultivate and maintain positive relationships with their subordinates. Managers may intuit that they can better fulfill their task- and relationship-oriented goals by cultivating and maintaining positive relationships with a group of subordinates that they see as higher in benevolence, and particularly so when they perceive the group to be higher in ability. Acting with greater procedural justice to a group of more benevolent subordinates is one way to cultivate and maintain positive relationships, and managers may be more motivated to do so when the group is seen as higher in ability, which may explain the two-way interaction between benevolence and ability (Hypothesis 3).

Furthermore, if the two-way interaction between benevolence and ability reflects managers' attempts to cultivate and maintain a positive relationship with their direct reports, then this interaction effect should be even stronger when managers assign greater importance to the relationship, such as when they are higher in the need to belong. This is precisely what was shown in the three-way interaction between benevolence, ability, and need to belong specified in Hypothesis 5.

This dissertation also posited that the negative relationship between managers' perceptions of their subordinates' integrity and the procedural justice shown to the group of people reporting to them reflected managers' attempts to control the group with lower integrity, in the sense of trying to bring their behaviors in line with (or prevent them from causing disruption to) the managers' and organizations' goals. High integrity

subordinates are expected to do the right thing because of their dispositional honesty and reliability, whereas this is less so for low integrity subordinates. Acting with greater procedural justice to lower integrity subordinates may be one way to manage the potential disruption they might cause (McKenna, 1994; Katz & Kahn, 1978). Moreover, managers may be more motivated to control (or align) their lower integrity subordinates who also are relatively high in ability. That is, the failure to elicit the support of a group of subordinates that is low in integrity and high in ability could be particularly costly; such a group could do considerable harm if it is not on board. Hence, it makes sense for managers to direct their scarce resources to those who need to be controlled by enacting higher procedural justice to them. This reasoning may explain the two-way interaction between integrity and ability set forth in Hypothesis 4.

Furthermore, if the two-way interaction between integrity and ability reflects managers' attempts to control their subordinates in the sense described above, then this interaction effect should be even stronger when managers are higher in the need for control. This is precisely what was found in the three-way interaction between integrity, ability, and need for control put forth in Hypothesis 6.

In short, the present studies demonstrate that managers' procedural justice is influenced by their perceptions of the trustworthiness of the group of people reporting to them along the dimensions of benevolence, integrity, and ability. Moreover, by examining the moderating influences of managers' need to belong and need for control in Field Study in Chapter 4, people can better understand the mechanisms through which managers' perceptions of their subordinates' benevolence, integrity, and ability influenced managers' enactment of procedural justice.

Chapter 5. Interactional Justice: A Preliminary Investigation

5.1 Introduction and Related Literature

The purpose of this dissertation is to investigate how subordinates' trustworthiness influences managers' enactment of procedural justice. Individuals are also concerned about the nature of the interpersonal treatment received from others, especially those organizational authorities. This is called the *interactional justice* (Bies, 2001; Bies & Moag, 1986). Bies and Moag (1986) explained that interpersonal treatment is conceptually distinct from the structuring of procedures, and interactional justice refers to the quality of interpersonal treatment they receive during the enactment of organizational procedures.

However, the concept and construct of interactional justice is controversial among organizational justice researchers. Many researchers believed that interactional justice is not an independent construct from procedural justice, and thus should at best be considered as some specific aspect of procedural justice. For example, Tyler and Bies (1990) referred to interactional justice as the "interpersonal context of procedural justice". They argued that the enactment of a procedure was not psychologically distinct from the formal qualities of the procedure itself. They further argued that the interactional form of justice included managers' consideration of subordinates' viewpoints, suppression of biases, and consistent application of criteria, which are similar to procedural justice, in addition to the interpersonal treatment and adequate explanations facets.

Empirical evidences are inconsistent. Some studies reported only modest

relationships between procedural and interactional justice (e.g., White Tansky, & Baik, 1995), whereas others found very high correlations (e.g., Kidwell & Benett, 1994). The measure developed by Moorman (1991) appears to have validated the view that interactional justice was a third form of fairness, but Colquitt et al (2005) argued that Moorman's interactional justice measure actually assessed what researchers currently regard as both procedural justice and interactional justice. Greenberg (1993) employed the interactional justice terminology but tried to divide it further into two separate dimensions: interpersonal justice and informational justice. In Blader and Tyler's (2003) four-component model, they conceptually incorporated the interactional justice as a component of procedural justice and regarded the interactional justice as the treatment-related considerations.

At the end of 1990s, researchers tried to resolve the controversy of procedural vs. interactional justice with several attempts. Colquitt and colleagues (2001) examined the validity of separating procedural and interactional justice. The correlations between the interactional justice and procedural justice supported keeping those dimensions separate. The procedural-interactional boundary was clarified further as researchers began distinguishing justice content (e.g., consistency vs. interpersonal treatment) from justice source (e.g., formal system vs. human agent) (Blader & Tyler, 2003; Colquitt & Greenberg, 2005). The efforts of clarifying conceptual similarities and differences between procedural justice and interactional justice had positive impact on literature (Colquitt et al, 2005). The procedural and interactional justice measures used in this proposal are derived from Blader and Tyler's four-component model (2003). In their model, managers are regarded as (informal) sources for both fair decision makings and

fair treatment to subordinates.

5.2 Results of the Field Study

In the field study in Chapter 4, the employees' perception of their managers' interactional justice was also measured in order to further clarify similarities and differences between procedural justice and interactional justice. The participants and procedure were exactly the same as described in Chapter 4.

5.2.1 Measures

Independent Variables. Measures of subordinates' benevolence, integrity, and ability were the same as described in Chapter 4.

Dependent Variables. Subordinates' perceptions of their managers' interactional justice consisted of the five items from the informal/treatment sub-scale developed by Blader and Tyler (2003). A sample item was, "My supervisor treats subordinates with dignity." Coefficient alpha was .96.

To evaluate whether it would be appropriate to aggregate individual subordinates' evaluations of the same manager's interactional justice, inter-rater reliability among subordinates within each work group was conducted. The intra-class correlation (ICC(1)) of managers' interactional justice was 0.21, F(97, 183)= 1.74, p< .001 (with a 95% confidence interval between 0.07 and 0.34), falling well within the common and acceptable range of .20 and .30 in field research (Bliese, 2000; James, 1982; Shrout & Fleiss, 1979). These results suggest that it is appropriate to aggregate subordinates'

responses. Accordingly, I computed average scores of managers' interactional justice across subordinates evaluating the same manager in the analyses reported below.

Confirmatory factor analyses were performed on managers' procedural justice and interactional justice. A two-factor model demonstrated excellent fit to the data (χ^2 =105.46, df = 66, CFI=.98, NFI=.95, and RMSEA=.079). The fit of the two-factor model was also significantly better than the one-factor model ($\Delta\chi^2$ (1) = 13.84, p < 0.001).

5.2.2 Result

Summary statistics are presented in Table 4.

Hierarchical multiple regressions were conducted on subordinates' assessments of their manager's interactional justice.

As can be seen in Table 5, Model 1, there was a positive main effect of benevolence (β = .53, p < .05), and a negative main effect of integrity (β = -.54, p < .05). Similar to Hypothesis 1, the higher the managers deemed their group of subordinates to be on benevolence, the more likely were they to exhibit interactional justice to their subordinates. Similar to Hypothesis 2, the less managers saw their group of subordinates as having integrity, the more likely were they to exhibit interactional justice to them.

Table 5, Model 2 revealed one two-way interaction effects: integrity x ability (β = -1.02, p < .01). Figure 7 shows the nature of the interaction effect between integrity and ability. As can be seen, when ability was high (one standard deviation above the mean), the relationship between integrity and managers' interactional justice was negative;

moreover, this relationship was significant (simple slope β = -.40; t(88) = -2.13, p < .05). In contrast, when ability was low (one standard deviation below the mean), the relationship between integrity and interactional justice was not significant (simple slope β = 0.13; t(88) = 0.83). Thus, the integrity x ability interaction on interactional justice has similar result as procedural justice.

There was another significant two-way interactions, in particular integrity x need for control (p < .01), such that the aforementioned negative main effect of integrity was exhibited more strongly by those relatively high in the need for control.

As can be seen in Table 5, Model 3, both of the three-way interactions (benevolence x ability x need to belong; and integrity x ability x need for control) were significant, $\beta s = .62$ (p < .05) and -1.40 (p < .001). To illustrate the nature of these three-way interaction effects I drew on procedures recommended by Dawson and Richter (2006), in which regression lines were generated showing: (1) the interactive effect of benevolence and ability on managers' interactional justice at a high level of need to belong (one standard deviation above the mean) and at a low level of need to belong (one standard deviation below the mean), and (2) the interactive effect of integrity and ability on managers' interactional justice at a high level of need for control (one standard deviation above the mean) and at a low level of need for control (one standard deviation below the mean) and at a low level of need for control (one standard deviation below the mean).

Figure 8 (Panel B) shows that the interactive relationship between benevolence and ability emerged when managers' need to belong was high, $\beta = .31$, t(86) = 1.97, p < .05. Moreover, among those high in the need to belong, simple slope analyses showed

that benevolence was positively related to interactional justice when ability was high, $\beta = .65$, t(86) = 2.29, p < .05, but not when ability was low, $\beta = -.06$, t(86) = -.21, n. s.

As can be seen in Figure 8 (Panel A), when need to belong was low (one SD below the mean), benevolence and ability did not interact with each other, $\beta = .04$, t(86) = .27, n.s. Indeed, when need to belong was low, benevolence was unrelated to interactional justice, regardless of ability. In summary, this three-way interaction had similar impact as procedural justice.

Figure 9 (Panel B) shows that the previously mentioned interactive relationship between integrity and ability emerged when managers' need for control was high, $\beta = -0.59$, t(86) = -2.56, p < 0.01. Moreover, among those high in the need for control, simple slope analyses showed that integrity was negatively related to interactional justice when ability was high, $\beta = -0.64$, t(86) = -2.21, p < 0.05, but not when ability was low, $\beta = 0.22$, t(86) = 0.72, n.s.

As can be seen in Figure 9, Panel A, when need for control was low (one SD below the mean), integrity and ability did not interact with each other, $\beta = -.11$, t(86) = -.66, n.s. When need for control was low, integrity was unrelated to interactional justice, regardless of ability. In short, this three-way interaction had similar impact as procedural justice.

5.3 Discussion

The regression results showed that subordinates' trustworthiness has similar impact patterns on interactional justice and procedural justice, with minor differences, on our subjects in the field study. The rather consistent results for interactional justice and procedural justice imply that these two forms of organizational justice should be treated as correlated but different theoretical constructs. The slight difference in the two-way interactions (Note that BT x AT did not have statistically significant effect on interactional justice) might be due to the reason of sampling. But given the conceptual difference between interactional and procedural justice, this conjecture needs further investigation and evidence to support.

Chapter 6. General Discussion

6.1 Discussion

The main purpose of this dissertation was to explore the mechanism underlying the influence of managers' trusts in subordinates on their procedural justice enactment. Drawing on organizational justice theory, the findings from the scenario study demonstrated that indeed, there exist cause-effect relationships between subordinates' trustworthiness and managers' procedural justice enactment.

In the field study, in addition to confirming the effects of subordinates' trustworthiness in ability, benevolence, and integrity on managers' procedural justice enactment, I also explore the possible underlying psychological mechanisms of managers' justice enactment. In this part of the research, the model was tested using survey data collected from both managers' side and subordinates' side.

The data from the field study demonstrated that managers' justice behaviors are affected by their trust in subordinates' ability, benevolence, and integrity. In addition, the findings showed that high trust in subordinates does not necessarily lead to high procedural justice enactment. In addition, the three types of trustworthiness not only act alone and combine together to affect managers' procedural justice; their interactions are also affected by managers' psychological need (i.e., need to belong and need for control in this dissertation). Overall, the findings of the field study provide correlational evidence that subordinates' trustworthiness could influence managers' enactment of procedural justice.

Summarizing the results from the scenario study and the field study, it can be concluded that high benevolence trust has a positive influence on managers' procedural justice, and combination of high ability trust and high benevolence trust leads to highest justice enactment from managers. This finding supports the idea proposed by social exchange theory that managers use justice behaviors as exchange for subordinates' due respect, courtesy, and work competence, and thus satisfy managers' social relational goals. Even though the results for the relationship from integrity trust to procedural justice showed a negative appearance, yet they were similar to Korsgaard et al's (1998) argument which also disclosed an unexpected result that subordinates' assertiveness led to fairer behaviors of managers.

6.2 Theoretical Implications

6.2.1 Organizational Justice

The results of both studies delineate when and why managers act with more versus less procedural justice to the group of people reporting to them, which is important to know given the well-established consequences of managers' procedural justice. This research found that judgments of all three bases of subordinates' trustworthiness (benevolence, integrity, and ability) play a significant role, albeit in different ways. Our reasoning was based on a view of managers seeking to achieve their various task-oriented and relationship-oriented goals (Blake & Mouton, 1964; Stogdill, 1974). In pursuit of these goals, managers may exhibit higher procedural justice to cultivate or maintain positive relationships with the group of people reporting to them when it is desirable for

them to do so (e.g., when the group is seen as high in benevolence), or to control or align their subordinates when it is necessary for them to do so (e.g., when the group is low in integrity). The above reasoning helps us to understand why benevolence and integrity trustworthiness yielded such different effects on managers' procedural justice.

However, I am not necessarily suggesting that managers *should* direct lower procedural justice to those higher in integrity; this dissertation will have more to say about this point below, in discussing areas for future research. Rather, the findings reveal how the participant-managers in the present studies *actually* behaved along the dimension of procedural justice in response to their perceptions of their subordinates' integrity trustworthiness.

The fact that managers exhibited greater procedural justice to their high benevolent and low integrity subordinates (especially when subordinates were higher in ability) suggests that they have multiple motives for enacting procedural justice: to cultivate/maintain positive relationships with their subordinates, and also to control or align those who are perceived to be potentially disruptive. Moreover, the findings suggest that these motives are not mutually exclusive. Both studies provided simultaneous evidence of both tendencies, with the relationship cultivation/maintenance motive directed towards high benevolence subordinates and the control/alignment motive directed towards low integrity subordinates. The organizational justice literature already has shown that *recipients* of decisions use procedural justice information for multiple purposes, such as to make judgments about their likely outcomes (Thibaut & Walker, 1975), to make relational inferences, such as neutrality, standing, and trust (Lind & Tyler, 1988), to manage uncertainty (Van den Bos & Lind, 2002), and to evaluate whether basic

principles of morality have been up held (Folger, 2001). The present studies suggest that *agents* of decisions also are multiply-motivated in their tendencies to act with more or less justice.

6.2.2 Trust

Most research in the trust literature has focused on the construct of trust rather than trustworthiness (Kramer & Cook, 2007; Rousseau, Sitkin, Burt, & Camerer, 1998). The present studies deepen our understanding of subordinates' trustworthiness by shedding light on how its three dimensions, namely, ability, benevolence, and integrity influence managers' procedural justice. As suggested by Mayer et al. (1995), the three dimensions are conceptually distinct, even though in actual practice they are empirically related to one another. Indeed, as can be seen in Table 2, the correlations between all three dimensions were sizable in the field survey. Conceptually, the distinction between benevolence and integrity may be particularly fine-grained, in that both refer to trustors' beliefs about trustees' motivation to behave in a trustworthy fashion. Given the conceptual overlap between benevolence and integrity trustworthiness (as reflected in the positive correlation between them of .50 in Field Study, Chapter 4), it is particularly noteworthy that they produced such different effects. A group of direct reports seen as more motivated to be trustworthy based on their relationship with their managers (benevolence) elicit more justice, whereas a group seen as less motivated to be trustworthy based on their own inner attributes (integrity) also elicit more justice. In other words, it is not simply the *degree* of perceived trustworthiness that systematically affects managers' enactment of procedural justice; it is the *nature or type* of trustworthiness that matters.

Furthermore, the ability to behave in a trustworthy fashion produced entirely different effects than each of the two motivational bases of trustworthiness. Ability was neither positively nor negatively related to managers' procedural justice; the main effect of ability was not significant. Instead, it moderated the effect of the two motivational bases of trustworthiness on managers' enactment of justice, such that the positive (negative) relationship between benevolence (integrity) trustworthiness and managers' procedural justice was stronger when ability trustworthiness was relatively high. In short, Mayer et al. (1995) conceptually distinguished between benevolence, integrity, and ability as bases of trustworthiness. The present studies provide evidence of how distinctions in managers' judgments of their subordinates' benevolence, integrity, and ability lead to differences in how much procedural justice managers direct towards the group of people reporting to them.

6.3 Practical Implications

The present dissertation also have practical implications for both managers and their direct reports. For example, the results raise the possibility that managers may be taking their high integrity subordinates somewhat for granted, in the form of treating them with less procedural justice than their low integrity counterparts. Moreover, if managers are unwilling or unable to admit awareness of this tendency, then telling them about the inverse relationship between their perceptions of their subordinates' integrity

and their enactment of procedural justice towards subordinates may help them make more informed decisions about how to behave towards their high integrity subordinates. In the same way that managers seem to recognize the value of exhibiting high procedural justice towards subordinates high in benevolence, they may decide that they should act the same way towards subordinates with high integrity.

Finally, the findings also suggest that subordinates need not view themselves as merely passive recipients of the procedural justice shown to them by their managers. The influence process between managers and their direct reports flows in both directions, even though the vast majority of organizational research has examined how managers influence the group of people reporting to them rather than the other way around (e.g., Chen, Brockner, & Greenberg, 2003). If subordinates prefer to be treated by their managers with higher procedural justice, the present findings suggest that there are steps they can take to elicit such treatment. This research would not necessarily recommend to a group of subordinates that they portray themselves as low in integrity in the service of eliciting higher procedural justice from their manager. After all, being seen by their manager as low in integrity may be reputationally damaging, and in any event it is morally repugnant to advise people to act with low integrity. On the other hand, subordinates who exhibit more benevolence towards their managers may be treated with greater procedural justice, which in turn may engender a virtuous cycle in which subordinates show greater benevolence, and so on. Moreover, such a virtuous cycle may be instantiated even more strongly if subordinates also show their managers that they have the ability to behave in a trustworthy fashion. In conclusion, the present studies offer some data-driven prescriptions to employees on how to manage their bosses (Gabarro & Kotter, 1993); it is our hope and expectation that more such research will follow.

6.4 Limitations/Suggestions for Future Research

Whereas the present studies lent support to all hypotheses they leave unanswered a number of important questions. In calling attention to them, this dissertation is simultaneously identifying some avenues for future research. For example, to what extent are the effects found in the present studies the result of deliberate decision-making on managers' part? Do managers *consciously* decide to act with more procedural justice to subordinates higher in benevolence or lower in integrity? For example, would managers be surprised to learn that they show more procedural justice towards a group of subordinates who they believe has less integrity trustworthiness, especially when those with lower integrity also have higher ability? Further research is needed to determine whether the present findings are the result of purposeful, conscious decision-making on managers' parts.

Second, might managers' tendencies to exhibit more justice towards subordinates lower in integrity ultimately backfire? Whereas a group of subordinates with high integrity can be counted on to do the right thing by their very nature, may they ultimately feel resentful about being treated with less justice, especially if they were to see their bosses showing higher justice towards other groups with less integrity? From the perspective of subordinates with high integrity, there may be an ironic element of "no good deed goes unpunished" implicit in the finding that those with more integrity receive

less procedural justice from their managers. Future research should examine whether those with integrity may reach a breaking point in response to receiving less justice, and if so, how this breaking point may manifest itself.

Third, research is needed to evaluate even further the processes underlying the present findings. This dissertation suggested that managers have both task-oriented and relationship-oriented goals in dealing with their direct reports, which form the basis of why managers may show greater procedural justice to a group of subordinates perceived to be higher in benevolence and lower in integrity. This research further suggested that if our reasoning is correct, then the positive relationship between benevolence and procedural justice, and the negative relationship between integrity and procedural justice, will be stronger when the group of subordinates is higher in ability trustworthiness. Hypotheses 5 and 6 in Field Study, Chapter 4, were designed to evaluate even further the mechanisms accounting for the present findings, which posited that procedural justice may be enacted for relationship-cultivation or maintenance purposes (in the case of high benevolence subordinates) or for controlling/alignment purposes (in the case of low integrity subordinates). Whereas the results of both studies lent support to our reasoning, future research may evaluate it in other ways (e.g., via tests of mediation rather than moderation).

Finally, it is worth noting that the present studies were conducted in China. Future research should examine whether national culture influences the relationship between managers' perceptions of their subordinates' trustworthiness and managers' enactment of procedural justice. For instance, the Chinese culture is more relational than those in other parts of the world, such as North America and Europe (Brewer & Chen, 2007). One

consequence of a relational culture is for its inhabitants to assign a high degree of importance to relationships with in-group members (Markus & Kitayama, 1991). As a result, the construct of benevolence may have been particularly salient to participants in the present studies. Whereas I still would expect to find a positive relationship between managers' perceptions of their subordinates' benevolence and managers' procedural justice in individualistic cultures, that relationship may be less pronounced than the one found in the present studies.

Relatedly, the referent in the independent variable of managers' perceptions of subordinates' trustworthiness and the dependent variable of managers' procedural justice was the subordinates as a collective. As previously suggested, given our focus on the construct of procedural justice it was appropriate to examine the hypotheses when managers conceptualized their subordinates on a collective basis rather than on an individual basis. Moreover, given that Colquitt et al. (2007) did not find significant differences when judgments of trustworthiness were in reference to individual subordinates or to the work group as a whole, I would expect the present findings to generalize to contexts in which managers conceptualized their subordinates as individuals rather than as a collective; whether this is the case, of course, is ultimately an empirical question.² Perhaps our findings were facilitated by the fact that the present studies were conducted in China, in that the Chinese tend to take a holistic approach to information processing (Nisbett, Peng, Choi, & Norenzayan, 2001) and therefore may have been comfortable conceptualizing their subordinates as a collective, relative to what may be found when participants have more of an individualistic orientation (e.g., Ip, Chiu, & Wan, 2006; Morris, Menon, & Ames, 2001).

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Footnotes

- 1. Colquitt et al.'s (2007) meta-analysis did not find significant differences between relationships involving trustworthiness when judgments of trustworthiness were in reference to individual subordinates or to the work group as a whole.
- 2. A recent study carried out by Dr. Ya-Ru Chen, Dr. Joel Brockner and the author of this dissertation which focuses on the dyadic between one manager and one subordinate, using the same independent and dependent variables, discovered very similar results to those in this dissertation. The results of this additional study were not included in the current dissertation; but they showed that the relationship between subordinates' trustworthiness and managers' enactment of procedural justice disclosed in this dissertation is robust at both group level and dyadic level.
- 3. The conception of managers having both task-oriented and relationship-oriented goals has parallels in both the justice and trust literatures. For example, justice scholars have posited that people prefer to be treated with high procedural fairness for a variety of reasons, some related to their economic well-being (e.g., Thibaut & Walker, 1975) and some pertaining to their social/psychological well-being (e.g., Lind & Tyler, 1988). The trust literature also suggests that underlying people's judgments of trustworthiness are both economic and social/psychological considerations (e.g., Kramer, 1999). However, the typical perspective in prior theory and research on justice and trust is that of lower status parties responding to the actions of parties with higher status, such as decision-making authorities. In contrast, the two studies in the current dissertation consider how multiple motives (task- vs. relationship-oriented, or economic vs. social/psychological) may influence how parties with higher status behave towards those with lower status.
- 4. This is not to say that the reciprocity motive fully accounts for the predicted *inverse* relationship between subordinates' integrity trustworthiness and managers' procedural justice. Rather, I am suggesting that in the case of benevolence trustworthiness the reciprocity motive helps to account for the predicted *positive* relationship between subordinates' trustworthiness and managers' procedural justice (as set forth in Hypothesis 1), and that this dynamic is less likely to be present in the case of integrity trustworthiness. It is managers' greater need to control their lower integrity subordinates that underlies the predicted *inverse* relationship between subordinates' integrity trustworthiness and managers' enactment of procedural justice.

Table 1: Hierarchical Multiple Regression - Scenario Study (Chapter 3)

	DV: Procedural Justice				
	В	SE	β		
Step 1					
Gender	03	.85	01		
Age	39	.54	07		
Level	45	.54	08		
Ability trustworthiness (AT)	35	.31	10		
Benevolence trustworthiness (BT)	1.17	.32	.34***		
Integrity trustworthiness (IT)	64	.29	19*		
Allocation decision	.08	.20	.03		
		Overall $F(9, 108) = 4.30$, p<0.001; Total R ² =.20			
Step 2 (terms added to Step 1)					
BT x AT	1.25	.62	.34*		
IT x AT	-1.74	.64	46**		
BT x IT	12	.61	04		
	Overall $F(12, 105) = 4.33$, p<0.001; Total R ² =.25				
	•	Changes in R^2 from Step 1 to Step 2: $F(3, 105) = 3.54$, p<.02			

^{*}p<.05; **p<.01; ***p<.001

Table 2: Descriptive Statistics and Intercorrelations – Field Study (Chapter 4)

	Mean	S.D.	1	2	3	4	5	6
1. Procedural Justice	4.78	.72	.94					
2. Ability Trustworthiness	4.87	.53	.15	.85				
3. Benevolence Trustworthiness	5.06	.53	.21*	.72**	.82			
4. Integrity Trustworthiness	4.92	.54	22*	.48**	.50**	.81		
5. Need for Control	3.88	.83	.42**	.33**	.36**	05	.72	
6. Need to Belong	4.76	1.01	17	.06	.15	.33**	.15	.77

^{*} p< .05; ** p< .01

Note: Coefficient alphas are on the diagonal.

Table 3: Hierarchical Multiple Regression – Field Study (Chapter 4)

	DV: Procedural Justice				
	В	SE	β		
Step 1					
Gender	.24	.24	.09		
Age	.09	.11	.08		
Level	.23	.21	.10		
Benevolence trustworthiness (BT)	.49	.22	.46*		
Integrity trustworthiness (IT)	41	.18	43*		
Ability trustworthiness (AT)	.08	.18	.06		
Need for Control (NC)	12	.08	20		
Need to Belong (NB)	31	.10	52**		
		Overall $F(9,88) = 5.44$, p<0.001; T $R^2 = .29$			
Step 2 (terms added to Step 1)					
BT x AT	1.39	.49	1.16**		
BT x IT	10	.24	15		
BT x NC	.42	.35	.29		
BT x NB	.75	.28	.71**		
IT x AT	-1.55	.48	-1.38**		
IT x NC	47	.36	36		
IT x NB	51	.25	62*		
AT x NC	28	.37	19		
AT x NB	27	.25	28		
NC x NB	.12	.07	.24		
	Overall $F(19,78) = 5.20$, p<0.001; Total $R^2 = .45$				
		s in R^2 from $R = 3.55$, p<.00	Step 1 to Step 2:		
Step 3 (terms added to Step 2)					
BT x AT x NB	1.16	.24	.79***		
IT x AT x NC	-2.72	.39	-1.69***		
	Overall $F(21,76) = 13.11$, p<0.001; Total $R^2 = .72$				
		s in R ² from = 39.51, p<.00	Step 2 to Step 3:		

^{*}p<.05; **p<.01; ***p<.001

Table 4: Descriptive Statistics and Intercorrelations – Interactional Justice (Field Study, Chapter 5)

	Mean	S.D.	1	2	3	4	5	6	7
1. Procedural Justice	4.78	.72	.94						
2. Interactional Justice	4.82	.71	.92**	.96					
3. Ability Trustworthiness	4.87	.53	.15	.02	.85				
4. Benevolence Trustworthiness	5.06	.53	.21*	.16	.72**	.82			
5. Integrity Trustworthiness	4.92	.54	22*	24*	.48**	.50**	.81		
6. Need for Control	3.88	.83	.42**	.41**	.33**	.36**	05	.72	
7. Need to Belong	4.76	1.01	17	13	.06	.15	.33**	.15	.77

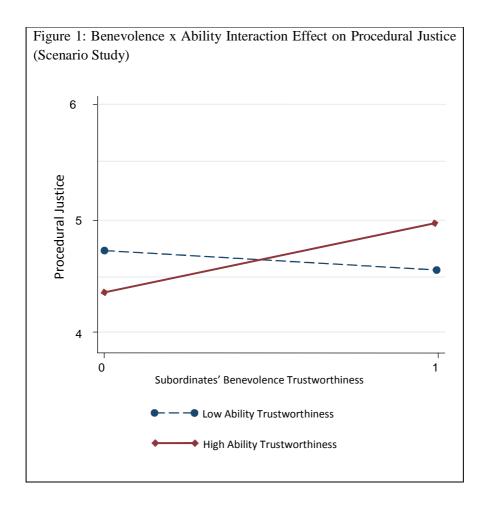
^{*} p< .05; ** p< .01

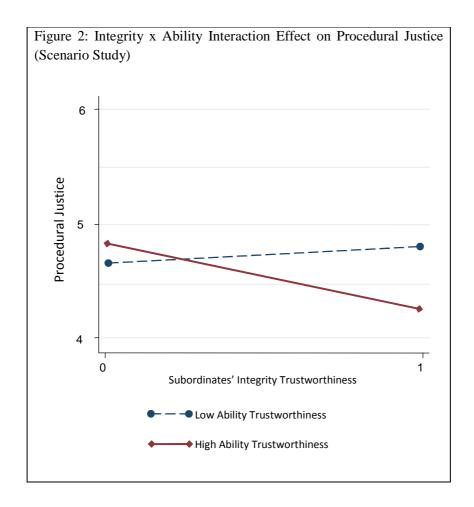
Note: Coefficient alphas are on the diagonal.

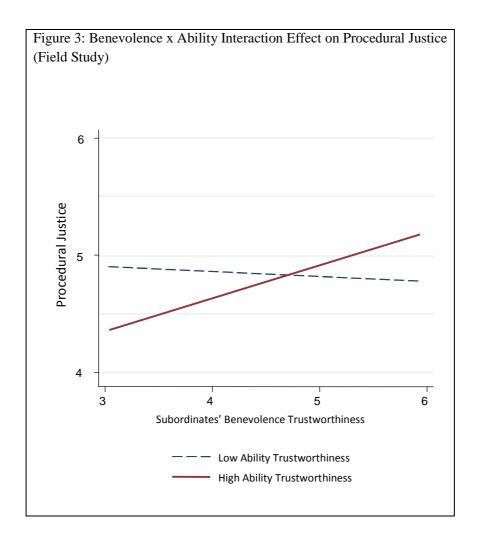
Table 5: Hierarchical Multiple Regression – Interactional Justice (Field Study, Chapter 5)

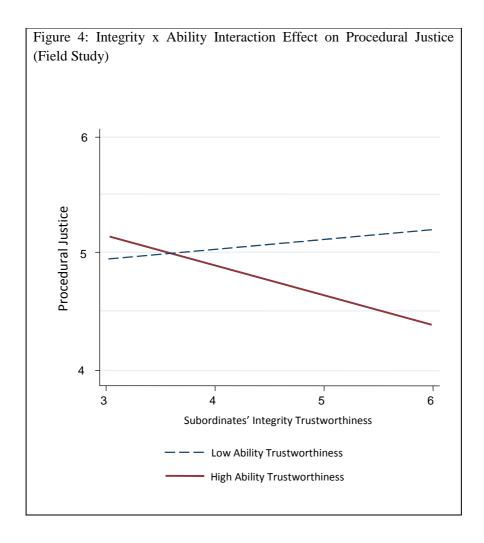
	DV: Inte	DV: Interactional Justice				
	В	SE	β			
Step 1						
Gender	.25	.21	.11			
Age	04	.12	03			
Level	.11	.14	.08			
Benevolence trustworthiness (BT)	.44	.19	.53*			
Integrity trustworthiness (IT)	41	.16	54*			
Ability trustworthiness (AT)	01	.18	01			
Need for Control (NC)	.13	.09	.18			
Need to Belong (NB)	11	.07	17			
	Overall $F(9,88) = 4.20$, p<0.001; Total R ² = .					
Step 2 (terms added to Step 1)						
BT x AT	.60	.43	.63			
BT x IT	.13	.21	.26			
BT x NC	.26	.37	.19			
BT x NB	.36	.24	.41			
IT x AT	91	.36	-1.02**			
IT x NC	92	.31	77**			
IT x NB	27	.21	41			
AT x NC	.49	.33	.28			
AT x NB	19	.19	16			
NC x NB	.11	.08	.18			
	Overall A	Overall $F(19,78) = 3.97$, p<0.001; Total $R^2 = .37$				
	Changes 2.92, p<.	Step 2: $F(10,78)=$				
Step 3 (terms added to Step 2)						
BT x AT x NB	.72	.29	.62*			
IT x AT x NC	-1.95	.46	-1.40***			
	Overall $F(21,76) = 5.48$, p<0.001; Total R ² =.49					
	Changes in R^2 from Step 2 to Step 3: $F(2, 76)$ = 9.94, p<.001					

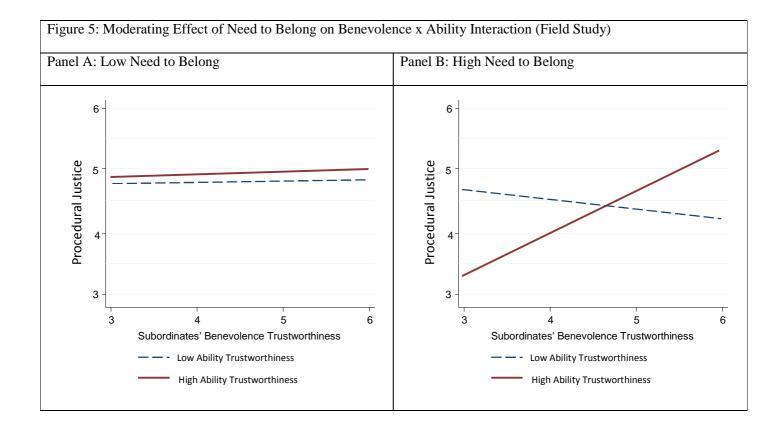
^{*}p<.05; **p<.01; ***p<.001

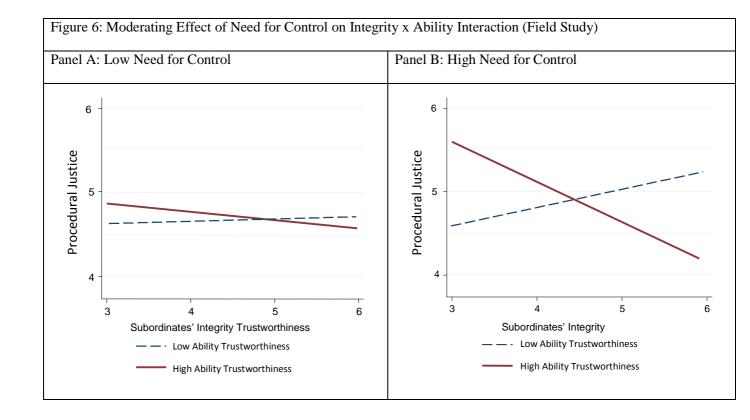


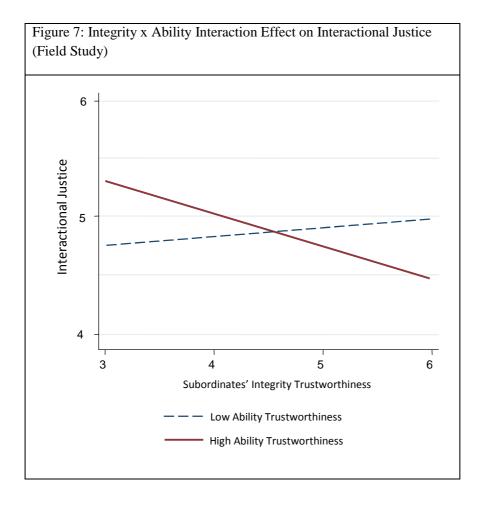


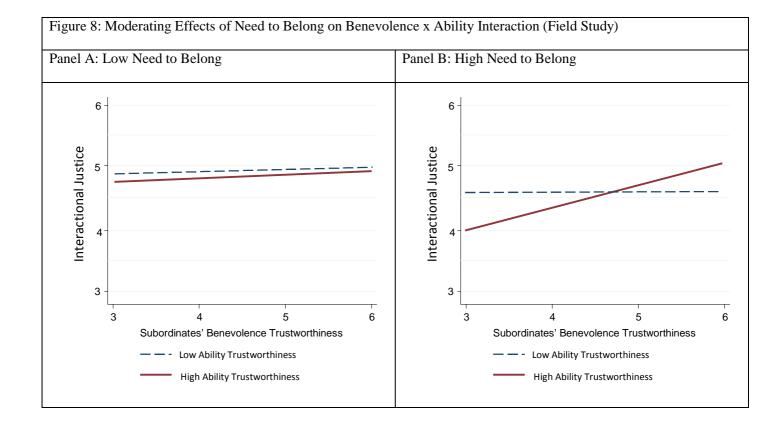


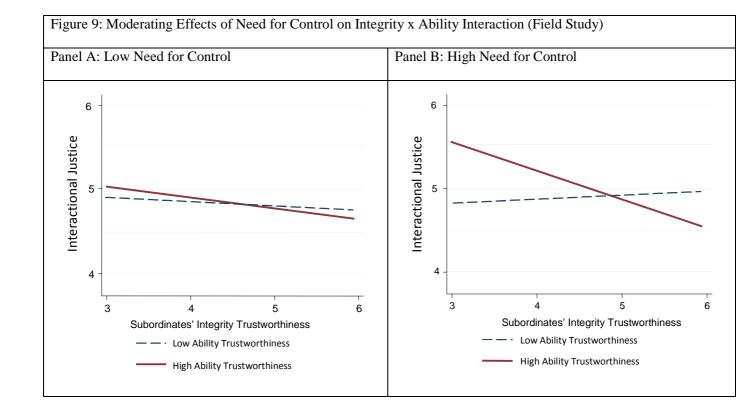












APPENDICES

Appendix 1 HIGH ABILITY X HIGH BENEVOLENCE X HIGH INTEGRITY SCENARIO

Managerial Communication

This scenario is designed to assess your work attitudes and behaviors when you communicate with your subordinates. There are two parts in this questionnaire. The first part addresses a variety of thoughts and opinions you have about yourself and others. There is no right or wrong answer to any of these questions; they simply assess your opinions. The second part contains a scenario regarding an important corporate layoff decision in a company. Please put yourself as the focal person in the situation described in the scenario and respond to a set of questions after that.

This questionnaire should only take less than 20 minutes of your time to complete.

Name:		_		
Gender:	[] male	[] female		
Age: 20	0-30 30-40	40-50 50-60	years old	
Years of work exp	perience so far:		years	
How many peop	le do you supe	ervise?		
How would you	ı describe you	r position in your	organization's hiera	rchy?
[] Lower leve	l	[] Middle	level	[] Upper level
Industry of your	current (or mo	ost recent) organi	zation or type of job	
Type of Enterpri	se: Private-ov	wned	_ State-owned	Multinational
Org				

An	approximate number of employees in your organization:
Les	ss than 100 employees More than 1000
em	ployees
<u>PA</u>	RT I: This part addresses a variety of thoughts and opinions you have about yourself
and	l others. There is no right or wrong answer to any of these questions; they simply help
you	r know your own opinions.
1.	I have a strong tendency to organize and direct the activities of others.
	Strongly disagree 1345 Strongly agree
2.	I strive to gain more control over the events around me at work.
	Strongly disagree 1356 Strongly agree
3.	I strive to be "in command" when I work in a group.
	Strongly disagree 1236 Strongly agree
4.	When it comes to orders, I would rather give them than receive them.
	Strongly disagree 1356 Strongly agree
5.	I seldom worry about whether other people care about me.
	Strongly disagree 1356 Strongly agree
6.	I have a strong "need to belong".
	Strongly disagree 1356 Strongly agree
7.	I try hard not to do things that will make people avoid or reject me.
	Strongly disagree 12356 Strongly agree

8. I want other people to accept me.
Strongly disagree 1356 Strongly agree
9. In work-related matters, managers have a right to expect obedience from their subordinates.
Strongly disagree 1356 Strongly agree
10. In most situations, managers should make decisions without consulting their subordinates.
Strongly disagree 1356 Strongly agree
11. Employees who often question authority sometimes keep their managers from being effective
Strongly disagree 1356 Strongly agree
12. Once a top-level executive makes a decision, people working for the company should n
question it.
Strongly disagree 1356 Strongly agree
13. Employees should not express disagreements with their managers.
Strongly disagree 1356 Strongly agree
14. Managers should be able to make the right decisions without consulting others.
Strongly disagree 1356 Strongly agree
15. Managers who let their employees participate in decision lose power.
Strongly disagree 1356 Strongly agree
16. A company's rules should not be broken, not even when the employee thinks it is in the
company's best interest.
Strongly disagree 1356 Strongly agree
17. I have a higher status in my organization.
Strongly disagree 1356 Strongly agree
18. I believe most people in my organization respect me.

Strongly disagree 134-strongly agree
19. Most people in my organization think I accomplished a great deal.
Strongly disagree 134 Strongly agree
20. I have a positive impression on people in my organization.
Strongly disagree 1345 Strongly agree
21. Most people in my organization regard me as a high status person.
Strongly disagree 134 Strongly agree
22. Other persons' well being is as important as mine.
Strongly disagree 1345 Strongly agree
23. It is immoral to take advantage of others.
Strongly disagree 13456 Strongly agree
24. It is the human nature to help others without expecting payback.
Strongly disagree 134 Strongly agree
25. People do sacrifice themselves to help strangers.
Strongly disagree 134 Strongly agree
26. It is not ethical to step on others for one's own personal fame and gain.
Strongly disagree 13456 Strongly agree
27. How often do you have the feeling that there is nothing you can do well?
Never 1 3 4 6 Always
28. How often do you feel that you are a successful person?
Never 1
29. How often do you feel sure of yourself when among strangers?
Never 1

30. In general, how often do you feel confident about your abilities?
Never 136 Always
31. How often do you have the feeling that you can do everything well?
Never 136 Always
32. How often do you feel confident that your success in your future job or career is
assured?
Never 1 3 4 6 Always
33. How often do you feel that you are a worthless individual?
Never 136 Always
34. I would be willing to sacrifice my personal accomplishment for my relationships with
others.
Strongly disagree 1356 Strongly agree
35. I think my relationship with other members in my organization is NOT as important
as my work achievement.
Strongly disagree 1356 Strongly agree
36. It is important for me to achieve my personal goals in work even if it is at the expense
of my relationship with others.
Strongly disagree 1236 Strongly agree
PART II: Please read the following scenario regarding an important corporate layof
decision in a company. Put yourself as the focal person in the situation described in the
scenario and respond to a set of questions after that.

The China Medical Instrument Manufacturing is one of the largest state-owned companies in Tianjing, China. The company has close cooperation with international pharmaceutical giants such as J&J and Pfizer, providing technological support and after-sale services for medical instruments sold by these big pharmas in Chinese market. The company has more than 5,000 employees and has business all over China. You are the vice-president of the company's R&D department, and you supervise a 30-odd-member R&D team. Your team is responsible for technology standardization, modulization, integration of medical software, and in-house development of instrument parts.

In the recent one year and half, your company faces severe competition from both inside China and abroad. The global economy is in recession, and the contracts your company wins reduce in a large scale. What makes things worse is that those international giant pharmas cut their cooperation with your company dramatically, and some of them stop buying your technological support for their medical instruments. Although the recent national healthcare reform sheds some lights on your company's long-term business prospect, yet the challenges are much greater than opportunities. Your company has to cut budgets, reorganize the operation, and layoff some employees.

Before you draw your layoff plan, you realize the following facts of your employees: generally speaking, your employees are very capable of performing their jobs. They have much knowledge about the work that needs to be done. In fact, they are known throughout the company to be successful at the things they are doing, and they have the specialized capabilities to do the jobs. Thus, you are very confident about your employees' work skills.

In addition to work ability, your employees are very concerned about your needs and desires. They care about your welfare and go out of their way to help you. They also look out for what is important to you. What they do in the company, generally, is beneficial for you.

Moreover, you trust your employees' integrity and like their values. In their work, they use sound principles to guide their behavior. In general, they have strong sense of justice and try hard to be fair in dealings with others. You never worry about they do not stick to their words or their behaviors are not consistent.

	Not at all 12357 Very much
2.	To what extent do you feel that your employees really care about your welfare and interests
	in the company?
	Not at all 123457 Very much
3.	To what extent do you feel you can trust your employees' integrity?
	Not at all 12357 Very much
4.	Considering your employees' situation, how much money will you plan to give to your
	employees?
	1
	0Yuan 50Thousand 100T 150T 200T 250T 300T
5.	When you decide the allocation of the severance money, to what extent is taking care of
	employees' life after layoff the reason for your allocation decision?
	Not at all 12367 Very much
6.	When you decide the allocation of the severance money, to what extent is caring about your
	employees' concerns the reason for your allocation decision?
	Not at all 12357 Very much
7.	When you decide the allocation of the severance money, to what extent are you going out of
	your way to allocate as much as possible to your employees?
	Not at all 12357 Very much

1. In this scenario, to what extent do you feel that you can trust your employees' work ability?

8.	When you decide the allocation of the severance money, to what extent is ensuring that your
	subordinates feel they are treated with dignity and respect a reason for your allocation
	decision?
	Not at all 12357 Very much
9.	When you decide the allocation of the severance money, to what extent do you think you
	should listen to employees' opinions?
	Not at all 12357 Very much
10.	When you decided on the allocation of the severance money, to what extent did you
	feel that you had to be consistent across people and situations?
	Not at all 123557 Very much
11.	When you decided on the allocation of severance money, to what extent did you feel
	that your decision had to be made based on facts, not your personal biases and
	opinions?
	Not at all 12357 Very much
12.	When you decide the allocation of the severance money, to what extent do you think you
	should make your allocation decision equally fair to everyone?
	Not at all 12357 Very much

Appendix 2 HIGH ABILITY X HIGH BENEVOLENC X LOW INTEGRITY SCENARIO

The China Medical Instrument Manufacturing is one of the largest state-owned companies in Tianjing, China. The company has close cooperation with international pharmaceutical giants such as J&J and Pfizer, providing technological support and after-sale services for medical instruments sold by these big pharmas in Chinese market. The company has more than 5,000 employees and has business all over China. You are the vice-president of the company's R&D department, and you supervise a 30-odd-member R&D team. Your team is responsible for technology standardization, modulization, integration of medical software, and in-house development of instrument parts.

In the recent one year and half, your company faces severe competition from both inside China and abroad. The global economy is in recession, and the contracts your company wins reduce in a large scale. What makes things worse is that those international giant pharmas cut their cooperation with your company dramatically, and some of them stop buying your technological support for their medical instruments. Although the recent national healthcare reform sheds some lights on your company's long-term business prospect, yet the challenges are much greater than opportunities. Your company has to cut budgets, reorganize the operation, and layoff some employees.

Before you draw your layoff plan, you realize the following facts of your employees: generally speaking, your employees are very capable of performing their jobs. They have much knowledge about the work that needs to be done. In fact, they are known throughout the company to be successful at the things they are doing, and they have the specialized capabilities to do the jobs. Thus, you are very confident about your employees' work skills.

In addition to work ability, your employees are very concerned about your needs and desires. They care about your welfare and go out of their way to help you. They also look out for what is important to you. What they do in the company, generally, is beneficial for you.

However, you do not trust your employees' integrity and do not like their values. In their work, they do not use sound principles to guide their behavior. In general, they do not have strong sense of justice and are not fair in dealings with others. You sometimes worry about they do not stick to their words and their behaviors are not consistent.

Appendix 3 HIGH ABILITY X LOW BENEVOLENCE X HIGH INTEGRITY SCENARIO

The China Medical Instrument Manufacturing is one of the largest state-owned companies in Tianjing, China. The company has close cooperation with international pharmaceutical giants such as J&J and Pfizer, providing technological support and after-sale services for medical instruments sold by these big pharmas in Chinese market. The company has more than 5,000 employees and has business all over China. You are the vice-president of the company's R&D department, and you supervise a 30-odd-member R&D team. Your team is responsible for technology standardization, modulization, integration of medical software, and in-house development of instrument parts.

In the recent one year and half, your company faces severe competition from both inside China and abroad. The global economy is in recession, and the contracts your company wins reduce in a large scale. What makes things worse is that those international giant pharmas cut their cooperation with your company dramatically, and some of them stop buying your technological support for their medical instruments. Although the recent national healthcare reform sheds some lights on your company's long-term business prospect, yet the challenges are much greater than opportunities. Your company has to cut budgets, reorganize the operation, and layoff some employees.

Before you draw your layoff plan, you realize the following facts of your employees: generally speaking, your employees are very capable of performing their jobs. They have much knowledge about the work that needs to be done. In fact, they are known throughout the company to be successful at the things they are doing, and they have the specialized capabilities to do the jobs. Thus, you are very confident about your employees' work skills.

However, your employees are not concerned about your needs and desires in workplace. They do not care about your welfare and seldom help you benevolently. They never bother to concern what's important for you in work. What they do in the company, generally, is not beneficial for your prestige and position at all.

But, you trust your employees' integrity and like their values. In their work, they use sound principles to guide their behavior. In general, they have strong sense of justice and try hard to be fair in dealings with others. You never worry about they do not stick to their words or their behaviors are not consistent.

Appendix 4 HIGH ABILITY X LOW BENEVOLENCE X LOW INTEGRITY SCENARIO

The China Medical Instrument Manufacturing is one of the largest state-owned companies in Tianjing, China. The company has close cooperation with international pharmaceutical giants such as J&J and Pfizer, providing technological support and after-sale services for medical instruments sold by these big pharmas in Chinese market. The company has more than 5,000 employees and has business all over China. You are the vice-president of the company's R&D department, and you supervise a 30-odd-member R&D team. Your team is responsible for technology standardization, modulization, integration of medical software, and in-house development of instrument parts.

In the recent one year and half, your company faces severe competition from both inside China and abroad. The global economy is in recession, and the contracts your company wins reduce in a large scale. What makes things worse is that those international giant pharmas cut their cooperation with your company dramatically, and some of them stop buying your technological support for their medical instruments. Although the recent national healthcare reform sheds some lights on your company's long-term business prospect, yet the challenges are much greater than opportunities. Your company has to cut budgets, reorganize the operation, and layoff some employees.

Before you draw your layoff plan, you realize the following facts of your employees: generally speaking, your employees are very capable of performing their jobs. They have much knowledge about the work that needs to be done. In fact, they are known throughout the company to be successful at the things they are doing, and they have the specialized capabilities to do the jobs. Thus, you are very confident about your employees' work skills.

However, your employees are not concerned about your needs and desires in workplace. They do not care about your welfare and seldom help you benevolently. They never bother to concern what's important for you in work. What they do in the company, generally, is not beneficial for your prestige and position at all.

Moreover, you do not trust your employees' integrity and do not like their values. In their work, they do not use sound principles to guide their behavior. In general, they do not have strong sense of justice and are not fair in dealings with others. You sometimes worry about they do not stick to their words and their behaviors are not consistent.

Appendix 5 LOW ABILITY X HIGH BENEVOLENCE X HIGH INTEGRITY SCENARIO

The China Medical Instrument Manufacturing is one of the largest state-owned companies in Tianjing, China. The company has close cooperation with international pharmaceutical giants such as J&J and Pfizer, providing technological support and after-sale services for medical instruments sold by these big pharmas in Chinese market. The company has more than 5,000 employees and has business all over China. You are the vice-president of the company's R&D department, and you supervise a 30-odd-member R&D team. Your team is responsible for technology standardization, modulization, integration of medical software, and in-house development of instrument parts.

In the recent one year and half, your company faces severe competition from both inside China and abroad. The global economy is in recession, and the contracts your company wins reduce in a large scale. What makes things worse is that those international giant pharmas cut their cooperation with your company dramatically, and some of them stop buying your technological support for their medical instruments. Although the recent national healthcare reform sheds some lights on your company's long-term business prospect, yet the challenges are much greater than opportunities. Your company has to cut budgets, reorganize the operation, and layoff some employees.

Before you draw your layoff plan, you realize the following facts of your employees: generally speaking, your employees are not capable of performing their jobs. They do not have the necessary knowledge about the work that needs to be done. In fact, they are known throughout the company to have poor performance at the things they are doing, and they do not have the specialized capabilities to do the jobs. Thus, you are not confident about your employees' work skills.

However, your employees are very concerned about your needs and desires. They care about your welfare and go out of their way to help you. They also look out for what is important to you. What they do in the company, generally, is beneficial for you.

Moreover, you trust your employees' integrity and like their values. In their work, they use sound principles to guide their behavior. In general, they have strong sense of justice and try hard to be fair in dealings with others. You never worry about they do not stick to their words or their behaviors are not consistent.

Appendix 6 LOW ABILITY X HIGH BENEVOLECNE X LOW INTEGRITY SCENARIO

The China Medical Instrument Manufacturing is one of the largest state-owned companies in Tianjing, China. The company has close cooperation with international pharmaceutical giants such as J&J and Pfizer, providing technological support and after-sale services for medical instruments sold by these big pharmas in Chinese market. The company has more than 5,000 employees and has business all over China. You are the vice-president of the company's R&D department, and you supervise a 30-odd-member R&D team. Your team is responsible for technology standardization, modulization, integration of medical software, and in-house development of instrument parts.

In the recent one year and half, your company faces severe competition from both inside China and abroad. The global economy is in recession, and the contracts your company wins reduce in a large scale. What makes things worse is that those international giant pharmas cut their cooperation with your company dramatically, and some of them stop buying your technological support for their medical instruments. Although the recent national healthcare reform sheds some lights on your company's long-term business prospect, yet the challenges are much greater than opportunities. Your company has to cut budgets, reorganize the operation, and layoff some employees.

Before you draw your layoff plan, you realize the following facts of your employees: generally speaking, your employees are not capable of performing their jobs. They do not have the necessary knowledge about the work that needs to be done. In fact, they are known throughout the company to have poor performance at the things they are doing, and they do not have the specialized capabilities to do the jobs. Thus, you are not confident about your employees' work skills.

However, your employees are very concerned about your needs and desires. They care about your welfare and go out of their way to help you. They also look out for what is important to you. What they do in the company, generally, is beneficial for you.

But you do not trust your employees' integrity and do not like their values. In their work, they do not use sound principles to guide their behavior. In general, they do not have strong sense of justice and are not fair in dealings with others. You sometimes worry about they do not stick to their words and their behaviors are not consistent.

Appendix 7 LOW ABILITY X LOW BENEVOLENCE X HIGH INTEGRIY SCENARIO

The China Medical Instrument Manufacturing is one of the largest state-owned companies in Tianjing, China. The company has close cooperation with international pharmaceutical giants such as J&J and Pfizer, providing technological support and after-sale services for medical instruments sold by these big pharmas in Chinese market. The company has more than 5,000 employees and has business all over China. You are the vice-president of the company's R&D department, and you supervise a 30-odd-member R&D team. Your team is responsible for technology standardization, modulization, integration of medical software, and in-house development of instrument parts.

In the recent one year and half, your company faces severe competition from both inside China and abroad. The global economy is in recession, and the contracts your company wins reduce in a large scale. What makes things worse is that those international giant pharmas cut their cooperation with your company dramatically, and some of them stop buying your technological support for their medical instruments. Although the recent national healthcare reform sheds some lights on your company's long-term business prospect, yet the challenges are much greater than opportunities. Your company has to cut budgets, reorganize the operation, and layoff some employees.

Before you draw your layoff plan, you realize the following facts of your employees: generally speaking, your employees are not capable of performing their jobs. They do not have the necessary knowledge about the work that needs to be done. In fact, they are known throughout the company to have poor performance at the things they are doing, and they do not have the specialized capabilities to do the jobs. Thus, you are not confident about your employees' work skills.

Moreover, your employees are not concerned about your needs and desires in workplace. They do not care about your welfare and seldom help you benevolently. They never bother to concern what's important for you in work. What they do in the company, generally, is not beneficial for your prestige and position at all.

However, you trust your employees' integrity and like their values. In their work, they use sound principles to guide their behavior. In general, they have strong sense of justice and try hard to be fair in dealings with others. You never worry about they do not stick to their words or their behaviors are not consistent.

Appendix 8 LOW ABILITY X LOW BENEVOLENCE X LOW INTEGRITY SCENARIO

The China Medical Instrument Manufacturing is one of the largest state-owned companies in Tianjing, China. The company has close cooperation with international pharmaceutical giants such as J&J and Pfizer, providing technological support and after-sale services for medical instruments sold by these big pharmas in Chinese market. The company has more than 5,000 employees and has business all over China. You are the vice-president of the company's R&D department, and you supervise a 30-odd-member R&D team. Your team is responsible for technology standardization, modulization, integration of medical software, and in-house development of instrument parts.

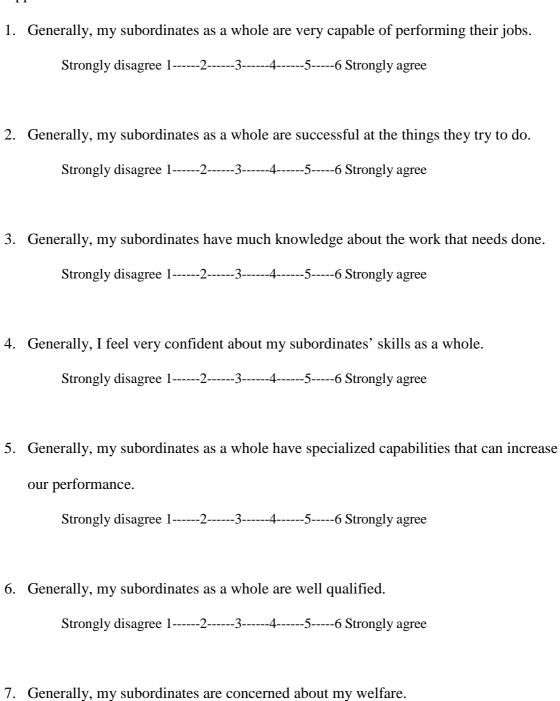
In the recent one year and half, your company faces severe competition from both inside China and abroad. The global economy is in recession, and the contracts your company wins reduce in a large scale. What makes things worse is that those international giant pharmas cut their cooperation with your company dramatically, and some of them stop buying your technological support for their medical instruments. Although the recent national healthcare reform sheds some lights on your company's long-term business prospect, yet the challenges are much greater than opportunities. Your company has to cut budgets, reorganize the operation, and layoff some employees.

Before you draw your layoff plan, you realize the following facts of your employees: generally speaking, your employees are not capable of performing their jobs. They do not have the necessary knowledge about the work that needs to be done. In fact, they are known throughout the company to have poor performance at the things they are doing, and they do not have the specialized capabilities to do the jobs. Thus, you are not confident about your employees' work skills.

Moreover, your employees are not concerned about your needs and desires in workplace. They do not care about your welfare and seldom help you benevolently. They never bother to concern what's important for you in work. What they do in the company, generally, is not beneficial for your prestige and position at all.

Furthermore, you do not trust your employees' integrity and do not like their values. In their work, they do not use sound principles to guide their behavior. In general, they do not have strong sense of justice and are not fair in dealings with others. You sometimes worry about they do not stick to their words and their behaviors are not consistent.

Appendix 9 MEASURE FOR MANAGERS – FIELD STUDY



Strongly disagree 1-----3-----5----6 Strongly agree

		Strongly disagree 12456 Strongly agree
9.	Gene	erally, my subordinates would not knowingly do anything to hurt me. Strongly disagree 1256 Strongly agree
10.	Gene	erally, my subordinates as a whole really look out for what is important to me. Strongly disagree 1245 Strongly agree
11.	Gene	erally, my subordinates will go out of their way to help me. Strongly disagree 1245 Strongly agree
12.	My s	Subordinates as a whole have a strong sense of justice. Strongly disagree 12456 Strongly agree
13.	I nev	ver have to wonder whether my subordinates will stick to their words. Strongly disagree 1245 Strongly agree
14.	My s	Subordinates as a whole try hard to be fair in dealing with others. Strongly disagree 1245 Strongly agree
15.	Geno	erally, my subordinates' actions and behaviors are not very consistent.* Strongly disagree 1256 Strongly agree

8. Generally, my subordinates as a whole take my needs and desires seriously.

16. Generally, I like my subordinates' values.
Strongly disagree 134 Strongly agree
17. Sound principles seem to guide my subordinates' behaviors.
Never 136 Always
18. How often do you feel that your superior's decisions are made in fair ways at your job? Never 1236 Always
19. Overall, how fairly would you say decisions and processes are made by your superior? Never 1236 Always
20. How would you rate the overall fairness with which issues and decisions that come up at work are handled by your superior? Not at all 1236 Very much
21. Is there a general sense among your peers that things are handled in fair ways by your superior? Never 1236 Always

you	ar superior?
	Never 136 Always
23. To	what extent is your interaction with subordinates under surveillance from entities
suc	h as trade union or HR department?
	Not at all 136 Very much
24. To	what extent is your performance evaluated by your peers and subordinates?
	Not at all 156 Very much
25. To	what extent is your interaction with subordinates supervised by your own superior
	Not at all 136 Very much
26. To	what extent do employees in your company have the right to complain if they feel
the	y are treated unfairly?
	Not at all 136 Very much
27. To	what extent is your way of treating your subordinate included in your performance
app	praisal?
	Not at all 136 Very much

22. How much of an effort is made to be fair to you when decisions are being made by

Appendix 10 MEASURE FOR SUBORDINATES – FIELD STUDY

1. How often do you feel that decisions are made in fair ways at jobs in your department? Never 1-----6 Always 2. Overall, how fair would you say decisions and processes are in your department? Never 1------ Always 3. How would you rate the overall fairness with which issues and decisions that come up at work are handled in your workplace? Not at all 1-----5----6 Very much 4. Is there a general sense among employees that things are handled in fair ways at work? Not at all 1-----3-----6 Very much 5. How much of an effort is made to be fair to employees when decisions are being made? Not at all 1-----5----6 Very much

6. My supervisor's decisions are consistent across people and situations.

Never 1------ Always

7.	My supervisor's decisions are made based on facts, not his/her personal biases and
	opinions.
	Never 136 Always
8.	My supervisor's decisions are equally fair to everyone.
	Not at all 136 Very much
9.	My supervisor treats subordinates fairly when decisions are being made.
	Never 1 3 6 Always
10.	My supervisor treats subordinates fairly when decisions are being implemented.
	Never 136 Always
11.	My supervisor listens to subordinates when people express their views.
	Never 136 Always
12.	My supervisor usually gives subordinates an honest explanation for the decisions
	he/she makes.

Never 1-----3-----5----6 Always

Never 12456 Always
14. My supervisor takes account of subordinates' needs when making decisions. Never 12456 Always
15. Subordinates in my department trust my supervisor to do what is best for us. Not at all 1236 Very much
16. My supervisor respects subordinates' rights as employees. Not at all 12456 Very much
17. My supervisor treats subordinates with dignity. Not at all 1236 Very much
18. My supervisor follows through on the decisions and promises he/she makes. Not at all 12456 Very much
19. My supervisor really cares about subordinates' well-being. Not at all 12456 Very much

13. My supervisor considers subordinates' views when decisions are being made.

20	Mv	supervisor	cares	about	subordinates'	satisfaction
40.	IVI	Super visor	carcs	about	subblumates	satisfaction.

Vita

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1975	Born on February 23 in Beijing, China
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