

# Does process fairness affect job performance? It only matters if they plan to stay

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## Summary

Incorporating a social exchange perspective, we examined the joint impact of process fairness and turnover intentions on job performance. Results from two independent samples suggest that employee turnover intentions moderate relations between process fairness perceptions and employee job performance. Specifically, the positive effects of the two types of process fairness on performance were stronger for employees who planned to stay with the organization than for those who intended to leave. Copyright © 2012 John Wiley & Sons, Ltd.

**Keywords:** fairness; turnover intentions; job performance

## Introduction

Whether experienced in connection with enacting (i.e., procedural justice) or explaining (i.e., informational justice) policies, research positively links process fairness with a range of work attitudes and behaviors (Cohen-Charash & Spector, 2001; Colquitt, Wesson, Porter, Conlon, & Ng, 2001). However, there is growing impetus among scholars to discern boundary conditions that inhibit the positive effects of process fairness (Brockner, Ackerman, & Fairchild, 2001). Brockner, Wiesenfeld, and Diekmann's (2009) provocative work describes situations in which high process fairness appears less preferable than low process fairness. These counterintuitive scenarios suggest, in certain circumstances, that process fairness may not necessarily improve work outcomes.

Findings from the job performance domain may best illustrate inconsistent effects of process fairness. Researchers have identified equivocal relations between process fairness variables and workplace contribution (Conlon, Meyer, & Nowakowski, 2005). For instance, Colquitt et al. (2001) found only modest correlations (corrected for sampling error and reliability) for procedural fairness (.10 to .36) and informational fairness (.13). Cohen-Charash and Spector's (2001) meta-analysis reported an average uncorrected correlation between job performance and procedural fairness of .15.

The meta-analysis of Colquitt et al. (2001) revealed that the amount of variance explained by artifacts was below 60 per cent, which suggests that moderators likely exist. Given these findings, it is not surprising researchers (e.g., Nowakowski & Conlon, 2005) advocate identifying additional fairness–job performance moderators to clarify this relationship. Colquitt, Greenberg, and Scott (2005) suggested variables that heighten (or depress) employee sensitivity to process fairness may be particularly relevant. To this point, researchers have broadly asserted that fairness is important to employees because it presages organizational outcomes and status assignment. In general,

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fairness may be a relatively uniform concern for employees. However, employees' reactions to perceived fairness may partly depend on the contingencies they face. For example, situational factors may influence the *relevance* of information used to make fairness-related judgments.

Our study examined this premise by considering employees whose future with the organization was indeterminate. Because of macro (e.g., current economic turmoil) and micro (e.g., changes in personal career strategy) forces, employees' plans to remain a part of the organization can differ. A seemingly tacit assumption of certain organizational fairness studies is that individuals anticipate and desire continued organizational membership. After an extensive search, however, we could not locate fairness studies focusing on the performance of employees who view their connection with the organization as somewhat tenuous. Some researchers have speculated about process fairness among contingent workers (e.g., Camerman, Cropanzano, & Vandenberghe, 2007) but did not address whether desire to continue association with the client or staffing firm influenced their fairness perceptions or performance.

We therefore sought to extend the fairness literature by investigating whether turnover intentions moderate relations between job performance and two forms of process fairness. In short, we consider if the tenuousness of future membership may constrain such relations. By examining when fairness is or is *not* important, we attempt to broaden the understanding of fairness–job performance relationships and address the assertion of Colquitt et al. (2005) that knowledge of boundary conditions for process fairness is underdeveloped.

## Process Fairness, Turnover Intentions, and Job Performance

Scholars have conceptualized organizational fairness in a variety of ways. Greenberg (1993) refined the fundamental distinction between process and outcome fairness, elucidating structural and social aspects of each. Structural aspects refer to the context in which interactions occur, whereas social aspects concern the individuals involved. His framework comprised four dimensions now recognized as distributive, procedural, informational, and interpersonal fairness (Colquitt, 2001).

Process fairness dimensions (i.e., procedural and informational) concern the systemic forces employees encounter at work (cf. Beugré & Baron, 2001). Specifically, as a structural factor, procedural fairness addresses concerns about organizational policies, rules, and guidelines. It taps directly into employees' judgments of the fairness of decision-making processes affecting them (Colquitt, 2001). Procedures that are: applied consistently, free from self-interest, on the basis of valid information, reviewable, and ethical are perceived as fair (Leventhal, 1980). Informational fairness is a social factor dealing with the adequacy of explanations regarding execution of policies. It facilitates process understanding (Ambrose, Hess, & Ganesan, 2007; Colquitt et al., 2001) because agents (e.g., supervisors) direct much of the work-related information flowing within the organization. In general, informational and procedural fairness reflect the manner in which an organization converses with and systemically guides employees. As members of the organization, employees are subject to the internal dynamics of their workplace. They catalog their workplace experiences, registering instances of procedural and informational (un)fairness throughout their employment. These past exchanges may also impact future behavior, making process fairness a salient issue in the work environment (Folger & Cropanzano, 2001; Van den Bos, Lind, Vermunt, & Wilke, 1997).

On the other hand, researchers suggest that it can be more difficult to determine accountability for outcome distribution in organizations (e.g., Folger & Cropanzano, 2001; Van den Bos et al., 1997). Many sources can affect resource allocation (e.g., income inequalities and general market forces), making it difficult for employees to link distributions to particular agents representing the organization. For example, in economic downturns, employees may have to accept reduced salaries or benefits. Subordinates understand intuitively that such resource allocation decisions are beyond their immediate supervisors' control, as when top management freezes wages to offset severe revenue losses. Others have noted that organizational outcome allocations may be episodic, making distributive fairness less impactful on recurring organization behaviors (Beugré & Baron, 2001). Scholars argue that

interpersonal fairness is an outcome in its own right (Ambrose et al., 2007; Cropanzano & Ambrose, 2001; Loi, Yang, & Diefendorff, 2009) because conveyed sensitivity (e.g., showing respect and being polite) also represents an allocated resource.

Although both interpersonal and informational fairness pertain to behavioral interaction, the former may be more relevant in highly interdependent contexts (i.e., where supervisors and employees have predominately close ties), whereas the latter is more relevant where employees operate independently. As we note in the succeeding text, the autonomous links between managers and their supervisors in our focal organization directed our focus on informational fairness as the only applicable social interactional fairness component.

In the literature, process fairness has generally been recognized as distinct from outcome fairness (Cropanzano, Prehar, & Chen, 2002; Greenberg, 2011). Some argue that process fairness is more relevant for evaluating reactions to continuing, systemic organizational processes (Beugré & Baron, 2001). Therefore, in this study, we focused on process fairness (i.e., procedural and informational) dimensions because employees may weigh them more heavily when considering their current and future organizational well-being.

## Process Fairness and Job Performance

Researchers have adopted various theoretical perspectives to explain the dynamics of process fairness, including its potential to affect important organizational attitudes and behaviors (Colquitt & Greenberg, 2003). Both instrumental and relational perspectives explain the importance of process fairness in this regard (Colquitt, Greenberg, & Zapata-Phelan, 2005). Instrumental perspectives hold that employees desire input and voice regarding the allocation of valuable work resources as a way to enhance control over the receipt of desired outcomes in the long run. This view also asserts that fairness can affect employee perceptions regarding the credibility of the outcome allocation process (Greenberg, 1990b). In contrast, relational perspectives propose that fairness is important because it signals personal standing in the organization (Blader & Tyler, 2009). For example, expressions of support may generate feelings of indebtedness and a corresponding obligation to reciprocate. These cues communicate that employees are valued, which strengthens their social identification with the organization.

Social exchange theory (SET; Blau, 1964) posits why process fairness should link to job performance. Whereas economic exchanges are more explicit, transactional (i.e., *quid pro quo*), and of limited duration, social exchanges are implicit, less formal, and involve longer term feelings of indebtedness to others (Cropanzano & Mitchell, 2005). SET suggests that as individuals experience acceptable reciprocation from others, feelings of personal obligation develop along with expectations that future contributions will also be returned (Korsgaard, Meglino, Lester, & Jeong, 2010). The organizational literature often considers immediate supervisors, and the broader organization, as employees' focal exchange partners.

Employees may view enhanced workplace contribution as fulfilling their reciprocal exchange obligations (Cohen-Charash & Spector, 2001). When employees perceive process fairness as instrumental in obtaining desired resources and outcomes, they should be inclined to reciprocate with greater work effort. Instances of process fairness encourage employees to expend the effort to meet performance expectations because it reinforces the likelihood of future reciprocation. From a relational perspective, process fairness signals relational quality with supervisors and solid organizational standing. Process fairness may signal favored status, where increased effort is a behavioral norm (Haslam & Ellemers, 2005). Blader and Tyler (2009) noted that social exchange processes may elicit greater employee effort because better relationships foster greater identification and workplace contributions help reciprocate the fulfillment of employees' identity-related needs.

Employees who perceive the organization and its immediate representatives (i.e., supervisors) are not fair may reduce their job performance efforts because they suspect reciprocation will not occur (Colquitt et al., 2001; Masterson, Lewis, Goldman, & Taylor, 2000; Robbins, Summers, Miller, & Hendrix, 2000). Employee perceptions of bias in work assignments, support, or evaluations could result in diminished (or even counterproductive)

effort. Because employees may associate being “in the know” with organizational status (Colquitt et al., 2001), access to essential information conveys organizational acceptance to employees (Tyler, 1999). Informational fairness is especially important because supervisors typically have hierarchical advantage and formal authority over subordinates (Skarlicki & Folger, 1997). This means they have more organizational insight as well as the ability to control in-role task assignments. Roberson and Stewart (2006) found that supervisors providing both credible and accurate feedback were perceived as more procedurally and informationally fair. They also found a positive relationship between procedural fairness and motivation to improve, indirectly linking procedural fairness and performance. As SET suggests, perceived process fairness should generate increased subordinate contributions, whereas employees should reciprocate unfairness with reduced effort. With regard to direct relations between process fairness variables and job performance, we propose:

*Hypothesis 1a*

Procedural fairness will positively relate with job performance.

*Hypothesis 1b*

Informational fairness will positively relate with job performance.

## **Turnover Intentions: Influence on Process Fairness–Job Performance Relations**

Employee turnover is an important topic because of the potential expense and organizational disruption that occurs when individuals leave an organization (Kacmar, Andrews, Van Rooy, Steilberg, & Cerrone, 2006). Many turnover models acknowledge the role of cognition in the withdrawal process (Hom, Caranikas-Walker, Prussia, & Griffeth, 1992). Intention to turnover, a primary antecedent of turnover, has received significant research attention (Tett & Meyer, 1993) because it focuses on the volitional component of turnover (Lance, 1988). Turnover intentions correlate with attachment-oriented constructs such as organizational identification (Ashforth, Harrison, & Corley, 2008) and organizational commitment (Cooper-Hakim & Viswesvaran, 2005). Of relevance to this study, turnover intent has been found to correlate negatively with job performance (Zimmerman & Darnold, 2009).

Employees with high turnover intentions may experience increasing degrees of psychological detachment from the organization (Tett & Meyer, 1993). This detachment, a form of self-regulatory behavior (Niessen, Binnewies, & Rank, 2010), can curtail employee involvement in the workplace routine and even induce emotional distance from coworkers (Kahn, 1990). Burris, Detert, and Chiaburu (2008) suggested that the psychological process of quitting begins long before employees actually leave, adversely affecting their workplace effort. They found evidence that detached employees may withhold employee-focused or organizational-focused discretionary behavior. Our study explores relations between process fairness and job performance, considering the concerns of employees who may be more (i.e., those intending to remain) or less (i.e., those intending to leave) prone to care about fairness and reciprocate with commensurate performance.

Employees with lower turnover intentions should be more organizationally embedded and confident of the future utility of their workplace efforts. Deciding to remain with the organization encourages cooperation from employees, implicitly affirming their interdependence with it. In terms of social exchange, research findings generally suggest that acceptable reciprocation becomes self-reinforcing (Cropanzano & Mitchell, 2005). Burris et al. (2008) noted, however, that relations between psychological attachment and organizationally directed contributions can be complex and need additional research attention. Although continued membership holds the promise of future benefits (e.g., financial remuneration, social identification, and feelings of accomplishment), it also poses risks (e.g., loss of individual freedom and possible exploitation). Potentially negative outcomes magnify the value of fairness shown to employees. Not only does fairness create reciprocal obligations, it also presages the ongoing stability of the

reciprocity process. Justice researchers have long intimated that employees may incorporate process fairness perceptions to help interpret their organizational future (Cropanzano, Byrne, Bobocel, & Rupp, 2001).

This may not be the case for those less wedded to the organization. Mayer, Greenbaum, Kuenzi, and Shteynberg (2009) found recently that identity violations (personal or social) may negate the expected positive outcomes of procedural fairness, and others (e.g., Holmvall & Bobocel, 2008) noted that personal identity can affect procedural fairness reactions. In a similar vein, we suggest that gradual erosion of organizational identity could also influence the impact of procedural fairness. In the context of our study, reduced organizational identification (i.e., higher turnover intent) may depress the expected positive consequences of procedural fairness. Brockner et al. (2009) observed that the positive effects of process fairness may be suppressed among employees who view their job as simply a means of support and derive their primary identity from outside the workplace (e.g., family and community). Blader and Tyler (2009) also noted that the behavioral impact of procedural fairness is likely to decrease among those tenuously linked to the organization. Thus, employees with higher turnover intentions may have a varying (or indifferent) set of expectations about job performance than employees whose productivity is salient to their future organizational prospects. We anticipate whether individuals perceive higher or lower procedural fairness, such perceptions are less likely to affect the behavior of those with higher intentions to turnover. Therefore, we propose:

#### *Hypothesis 2a*

Turnover intentions will moderate the relationship between procedural fairness and job performance such that the relationship will be stronger for employees with lower turnover intentions versus those with higher turnover intentions.

Employees who perceive open communication channels may also feel their supervisors will acknowledge their workplace efforts. As such, they may view performance as a means of reciprocating informational fairness. However, we suspect a more pronounced effect for employees who intend to remain with the organization. Informational fairness, in the form of candid and timely information sharing, should motivate these employees to increase their work efforts. This heightened workplace activity may result in higher performance evaluations (Cropanzano et al., 2002). Conversely, employees who feel information is not shared with them may reduce their workplace contributions (Skarlicki & Folger, 1997), leading ultimately to lower performance evaluations.

Employees who intend to leave may have milder reactions to informational fairness because it may appear to have less bearing on their future work circumstances. This could suppress tendencies to reciprocate timely and full explanations provided by supervisors, weakening the process fairness–performance relationships. Employees intending to leave may also reduce efforts to identify, collect, and analyze information regarding the reciprocation of their contributions. Thus, in addition to muted responses to unfairness, their relative detachment may limit the intensity of their fairness calculations. Not only could employees who intend to leave have milder responses to perceived fairness, but they might also recognize fewer instances of process (un)fairness. Under these conditions, fairness judgments are less likely to guide behavior (Lind, Kray, & Thompson, 2001). Therefore, we propose:

#### *Hypothesis 2b*

Turnover intentions will moderate the relationship between informational fairness and job performance such that the relationship will be stronger for employees with lower turnover intentions versus those with higher turnover intentions.

## Overview of This Research

We tested our hypotheses using data from two different samples to examine the viability and generalizability of our findings. Because we could find no research examining the moderating role that turnover intentions might play

regarding the process fairness–job performance relationship, we first conducted a pilot effort (Study 1) to determine whether the hypothesized effects would manifest in a sample of currently employed college students. Given encouraging evidence, we followed up using a field investigation (Study 2) to test whether these effects would surface in an organizational environment.

## Study 1 Method

### *Participants and procedures*

Study 1 used responses from 415 undergraduate students at a large university located in the southern U.S. All respondents were employed, working at least 12 hours per week. The respondents averaged 21 years of age and 5 years of work experience. The sample was 49% male and 83% Caucasian. Because this study was conducted as part of a comprehensive organizational culture study, we used a parsimonious set of items to inhibit respondent fatigue. Participation in this study was voluntary. We guaranteed respondents anonymity and assured them only aggregate results would be reported.

### *Measures*

Unless otherwise indicated, we measured all Study 1 (and Study 2) responses using 5-point Likert scales (1 = *strongly disagree*; 5 = *strongly agree*), with higher scores indicating greater levels of constructs assessed. In Study 1, participants provided responses to all measures.

#### **Procedural fairness**

We used six items ( $\alpha = .85$ ) from Moorman (1991) to assess procedural fairness. We asked participants to register the degree to which each item described the performance evaluation process. Sample items include the following: My supervisor . . . “Provides opportunities to appeal or challenge the decision” and “Collects accurate information necessary for making decisions.”

#### **Informational fairness**

We used three items ( $\alpha = .85$ ) from Moorman (1991) to gauge informational fairness. We asked participants to indicate the degree their supervisors provided them information concerning the work context. The items include the following: My supervisor . . . “Provides me with timely feedback about a decision and its implications,” “Shows concern for my rights as an employee,” and “Deals with me in a truthful manner.”

#### **Distributive fairness**

We assessed distributive fairness using six items ( $\alpha = .91$ ) from Price and Mueller’s (1986) measure. The items include “To what extent are you fairly rewarded for the amount of effort that you put forth?” and “To what extent are you fairly rewarded for the work that you have done well?”

#### **Turnover intentions**

We used two items ( $\alpha = .75$ ) from Cammann, Fichman, Jenkins, and Klesh (1983) to assess turnover intentions. The items include “I will probably look for a new job in the next year” and “I often think about quitting.”



### Job performance

We used three items ( $\alpha = .86$ ) from Williams and Anderson (1991) to measure self-reported job performance. The items include “I adequately complete assigned job duties,” “I fulfill responsibilities specified in the job description,” and “I perform tasks that are expected of me.”

### Control variables

Research suggests that relationships exist between performance and demographic variables such as age, gender, race (Tsui & O'Reilly, 1989), and job experience (Schmidt, Hunter, & Outerbridge, 1986), so we controlled for their effects in Study 1. As noted earlier, distributive fairness may be less salient from a social exchange perspective than process fairness dimensions. Nevertheless, we controlled for distributive fairness because it could covary with employee performance and also because process fairness dimensions (procedural and informational) may share variance with distributive fairness (Fassina, Jones, & Uggerslev, 2008).

## Study 1 Results and Discussion

We used confirmatory factor analysis to evaluate the factor structure, as well as the convergent and discriminant validity, of all constructs. We estimated the 5-factor measurement model and performed nested model comparisons using AMOS 18.0 [Arbuckle, J. L. (2009). AMOS, version 18.0 (Computer Program) Chicago: SPSS]. To do so, we input a covariance matrix of the self-reported variables collected from employees (procedural fairness, informational fairness, distributive fairness, turnover intentions, and performance) into the model. We allowed each item to load on its expected factor, and we also allowed the factors to correlate. Results indicated that the overall model-to-data fit was acceptable [ $\chi^2(df) = 428.30(199)$ ,  $p < .01$ ;  $CFI = 0.95$ ;  $NFI = 0.92$ ;  $RMSEA = 0.05$ ].

To verify the use of these variables as individual scales or grouped factors, we tested logical alternative models. We list the results in Table 1. We created a model in which all items were loaded on a single common factor. Results indicated that the overall model-to-data fit was inadequate [ $\chi^2(df) = 2491.96(213)$ ,  $p < .01$ ;  $CFI = 0.54$ ;  $NFI = 0.52$ ;  $RMSEA = 0.16$ ] and the chi-square difference test [ $\chi^2_{diff}(14) = 2063.66$ ,  $p < .01$ ] was statistically significant, suggesting that these items should not be combined into one factor. We created a 3-factor model combining the dimensions of organizational fairness (i.e., informational, procedural, and distributive) into one factor. Results indicated that the overall model-to-data fit was inadequate [ $\chi^2(df) = 1477.09(208)$ ,  $p < .01$ ;  $CFI = 0.74$ ;  $NFI = 0.71$ ;  $RMSEA = 0.12$ ] and the chi-square difference was statistically significant [ $\chi^2_{diff}(9) = 1048.79$ ,  $p < .01$ ], suggesting that these factors should not be combined. As shown in Table 1, we tested three additional models combining different fairness factors. None of these models fit as well as the proposed 5-factor model.

We conducted tests of scale discriminant validity to analyze loadings from the expected 5-factor measurement model and determine the average variance explained (AVE) for each variable. AVE represents the variance

Table 1. Alternative measurement model test results (Study 1).

| Model   | $\chi^2$ | <i>Df</i> | $\chi^2_{diff}$ | <i>Df</i> <sub>diff</sub> | CFI  | NFI  | RMSEA |
|---|----------|-----------|-----------------|---------------------------|------|------|-------|
| 5-factor expected model   | 428.30   | 199       | —               | —                         | 0.95 | 0.92 | 0.05  |
| 4-factor (combined procedural and interactional fairness)       | 822.08   | 204       | 393.78*         | 5                         | 0.87 | 0.84 | 0.08  |
| 4-factor (combined distributive and interactional fairness)     | 980.52   | 204       | 552.22*         | 5                         | 0.84 | 0.81 | 0.09  |
| 4-factor (combined distributive and procedural fairness)        | 1099.78  | 204       | 671.48*         | 5                         | 0.82 | 0.79 | 0.10  |
| 3-factor (combined distributive, procedural, and interactional) | 1477.09  | 208       | 1048.79*        | 9                         | 0.74 | 0.71 | 0.12  |
| 1-factor (all items load on a single factor)                    | 2491.96  | 213       | 2063.66*        | 14                        | 0.54 | 0.52 | 0.16  |

*Df*, degrees of freedom; CFI, comparative fit index; NFI, normed fit index; RMSEA, root mean square error of approximation; diff, difference. \* $p < .01$ .

Table 2. Means, standard deviations, and intercorrelations (Study 1).

| Variable                  | <i>M</i> | <i>SD</i> | 1      | 2      | 3      | 4      | 5      | 6      | 7     | 8    |
|---------------------------|----------|-----------|--------|--------|--------|--------|--------|--------|-------|------|
| 1. Informational fairness | 3.59     | 0.88      | (.85)  |        |        |        |        |        |       |      |
| 2. Procedural fairness    | 3.36     | 0.72      | .51**  | (.85)  |        |        |        |        |       |      |
| 3. Distributive fairness  | 3.41     | 0.91      | .54**  | .43**  | (.91)  |        |        |        |       |      |
| 4. Turnover intentions    | 3.89     | 1.77      | -.49** | -.28** | -.49** | (.75)  |        |        |       |      |
| 5. Job performance        | 4.10     | 0.71      | .30**  | .26**  | .21**  | -.10*  | (.86)  |        |       |      |
| 6. Age                    | 20.90    | 1.95      | -.01   | -.02   | -.02   | -.03   | .04    | —      |       |      |
| 7. Gender                 | 0.51     | 0.50      | -.05   | .01    | .05    | .07    | .13**  | -.17** | —     |      |
| 8. Race                   | 0.17     | 0.38      | -.13** | -.07   | -.09   | .04    | -.14** | .06    | .08   | —    |
| 9. Job experience         | 5.43     | 2.47      | .03    | .04    | .04    | -.13** | .06    | .60**  | -.13* | -.09 |

Note:  $n = 415$ . Values on the diagonal are reliability estimates. Gender is coded 0 = male, 1 = female. Race is coded 0 = White, 1 = Non-white. Age and organizational tenure measured in years.

\* $p < .05$ ;

\*\* $p < .01$ .

measured by the variable as opposed to the variance created by measurement error (Fornell & Larcker, 1981) and provides evidence of convergent and discriminant validity. Convergent validity is suggested if the AVE of each latent variable exceeds 0.50, which was the case in this study (procedural fairness = 0.51, informational fairness = 0.57, distributive fairness = 0.62, turnover intentions = 0.66, and job performance = 0.68). On the other hand, discriminant validity is suggested when the AVE of a given variable is greater than the squared correlation between it and the other focal variables in the study. The data in this study met this requirement, pointing toward convergent and discriminant validity of the latent variables.

Table 2 presents descriptive statistics and intercorrelations among the Study 1 variables. As expected, both procedural ( $r = .26, p < .01$ ) and informational ( $r = .30, p < .01$ ) fairness positively correlated with job performance, suggesting preliminary support for Hypotheses 1a and b. Because there was no inherent nesting of subordinate ratings within individual supervisors, we incorporated structural equation modeling (SEM) to test our regression models. Using AMOS 18.0, we grand-mean centered the latent variables and then tested a structural equation model to examine our hypotheses. We present the unstandardized regression coefficients from this analysis in Table 3. Both procedural ( $B = .14, p < .05$ ) and informational fairness ( $B = .24, p < .01$ ) were positively related to job performance in Model 2 ( $R^2 = .18, p < .01$ ), supporting Hypotheses 1a and b.<sup>1</sup>

To test for moderating effects using SEM, we created product indicators that reflect the latent interaction variables (Chin, Marcolin, & Newsted, 2003; Wilson, 2010) and conducted additional SEM analyses. Consistent with Hypothesis 2a, Table 3 shows that the interactive effect between procedural fairness and turnover intentions on performance was statistically significant (Model 4:  $B = -.14, p < .01; R^2 = .20$ ). To interpret the interaction, we plotted the relationship between procedural fairness and job performance for high (1 *SD* above the mean) and low (1 *SD* below the mean) levels of turnover intentions (Stone & Hollenbeck, 1989). Figure 1a indicates that the relationship between procedural fairness and job performance was stronger for employees with low turnover intentions. We conducted a simple slope test to determine if the slopes of the lines found in the interaction plot were significantly different than zero. This analysis indicated that the relationship between procedural justice and performance evaluations was statistically significant for employees with low turnover intent ( $B = .28; t = 2.69, p < .01$ ) but was not significant for those with high intent to turnover ( $B = -.15; t = -1.24, ns$ ). These results support Hypothesis 2a.

<sup>1</sup>Regression models 2–5 in this manuscript included procedural, informational, and distributive fairness. As expected, the fairness dimensions correlated with each other. To address concerns regarding potential confounding issues (Yzerbyt, Muller, & Judd, 2004), we conducted auxiliary analyses including another cross-product term (Distributive justice  $\times$  Turnover intent) as a control variable with Study 2 data. The relative size, sign, and significance of all study variables were similar whether or not the (Distributive justice  $\times$  Turnover intent) term was included. We also ran a model treating the (Distributive justice  $\times$  Turnover intent) term as a focal interaction and found it was not significant ( $\gamma = -.08; t = -1.90, ns$ ).



Table 3. Structural equation modeling results for job performance (Study 1).

| Variable                                     | Model 1 | Model 2 | Model 3 | Model 4 | Model 5 |
|--|---------|---------|---------|---------|---------|
| <i>Controls</i>                              |         |         |         |         |         |
| Age  | .02     | .03     | .03     | .03     | .02     |
| Gender                                       | .26**   | .27**   | .27**   | .26**   | .23**   |
| Race   | -.35**  | -.27**  | -.27**  | -.28**  | -.22*   |
| Job experience                               | .02     | .01     | .01     | .01     | .00     |
| <i>Fairness variables</i>                    |         |         |         |         |         |
| Distributive fairness                        |         | -.01    | -.01    | -.03    | -.08    |
| Procedural fairness                          |         | .14*    | .14*    | .16*    | .17*    |
| Informational fairness                       |         | .24**   | .24**   | .29**   | .40**   |
| <i>Moderator</i>                             |         |         |         |         |         |
| Turnover intentions                          |         |         | .00     | .00     | .07     |
| <i>Interaction</i>                           |         |         |         |         |         |
| Procedural fairness × Turnover intentions    |         |         |         | -.14**  |         |
| Informational fairness × Turnover intentions |         |         |         |         | -.37**  |
| $R^2$  | .06**   | .18**   | .18**   | .20**   | .27**   |
| $\Delta R^2$                                 |         | .12**   | .00     | †.02**  | †.09**  |

Note:  $n = 415$ . Unstandardized regression coefficients are shown.

†  $\Delta R^2$  in relation to Model 3.

\* $p < .05$ ;

\*\* $p < .01$ .

We also found a significant interaction effect between turnover intentions and informational fairness (Model 5:  $B = -.37$ ,  $p < .01$ ;  $R^2 = .27$ ), supporting Hypothesis 2b. We again plotted the results following procedures used for Hypothesis 2a. Figure 1b indicates that the relationship between interactional fairness and job performance was stronger for employees with low turnover intentions. A simple slope test verified that the relationship between informational justice and performance was statistically significant for employees with low turnover intent ( $B = .33$ ;  $t = 3.40$ ,  $p < .01$ ) but was not significant for those with high intent to turnover ( $B = .05$ ;  $t = .53$ ,  $ns$ ). These results support Hypothesis 2b.

We recognize that self-reported data limit the impact of the results of Study 1. However, the identified interactions supported investigating whether this effect could be found within an existing organizational setting (i.e., Study 2). Further, Study 1 results are reasonably consistent with the Study 2 results presented in the succeeding text.

## Study 2 Method

### *Participants and procedures*

Study 2 employed a field sample with data collected from professional employees of a large organization from the heavy manufacturing industry. It was located in a Midwestern industrial sector in which the broader economic conditions could be described as sobering. The area was not generally considered a high growth area, and alternative employment opportunities were somewhat limited.

We sent an introductory email to all 246 professional employees in the organization, stating our study's general purpose and assuring confidentiality of information collected. About a week later, we sent another email, containing a hyperlink to an online survey, encouraging participants to respond in a timely manner. After collecting their

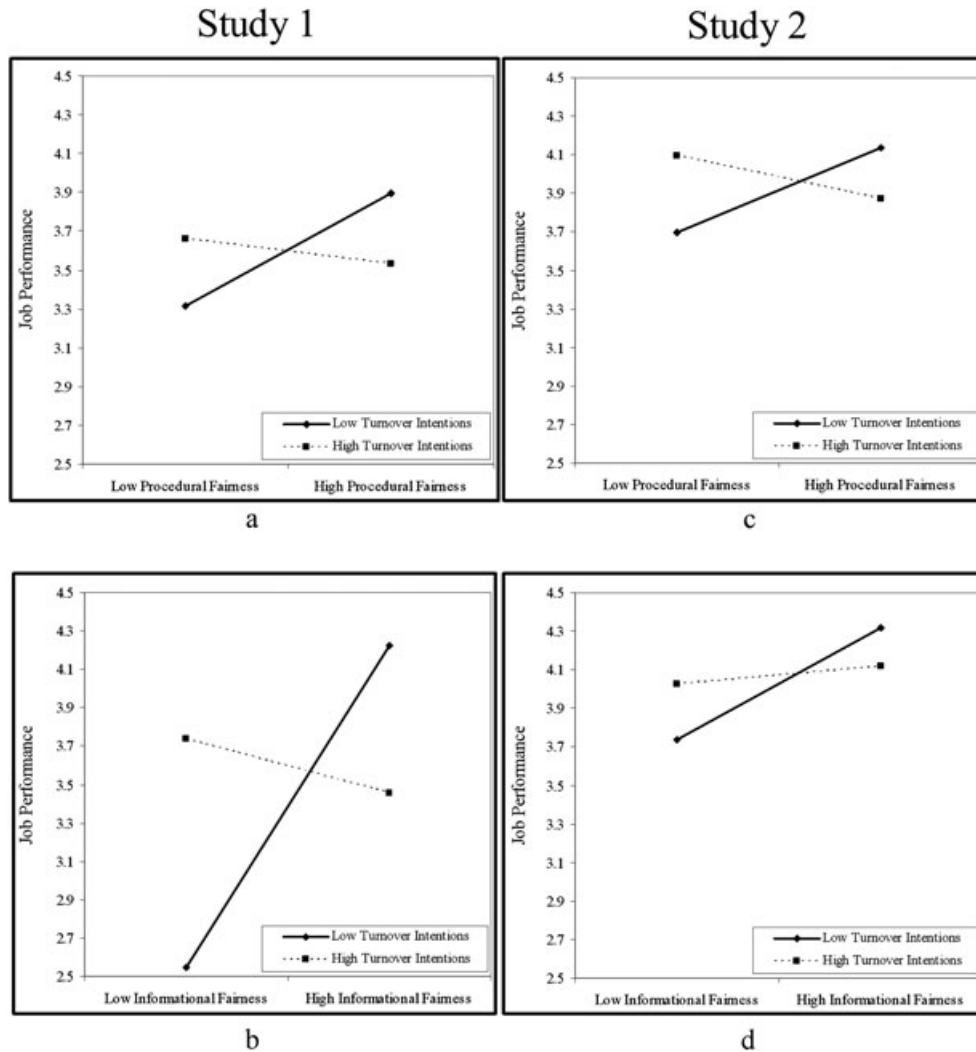


Figure 1. Interactions of Process Fairness and Turnover Intentions on Performance Ratings

responses through the online survey, we arranged to collect supervisor ratings of subordinate performance at a later date to create some temporal separation between our predictors and criterion (cf. Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). In this organization, supervisors appraised their subordinates' performance on a periodic basis and filed the appraisals with the human resources (HR) division. Professionals from the HR division provided us with performance information, which, as described in the succeeding text, comprised our job performance measure. Some variation existed regarding the date supervisors and subordinates met for the appraisal reviews, but a large majority of the reviews were conducted approximately 12 months after the online survey and focused on performance behavior occurring in that time span.

We sought information from professional-level and executive-level employees because they have relative freedom choosing projects on which to focus, their approach to the work, and the structure of their workdays. In contrast to blue-collar work (i.e., hourly manufacturing or clerical tasks), white-collar positions generally entail higher levels of autonomy. These relatively autonomous employees were largely responsible for collecting, analyzing, and compiling data (e.g., financial statements, engineering reports, and sales forecasts). Information summaries were made available

for executive-level synthesis. As such, information sharing and processes were fundamental tasks for the study participants. White-collar professionals from a variety of functional units participated in this project, including executive management, engineering, sales, finance, operations, marketing, quality, and purchasing. For example, the engineers were responsible for delivering descriptive, comprehensive reports regarding product development and testing activities. These reports were referenced as archival information for communication in a hardcopy format.

The subordinate sample was 76% male and 87% Caucasian. Average age was 45 and average job tenure was 10.7 years. Average age was 45 years, and average job tenure was 10.7 years. We obtained a final sample of 206 matched pairs (84 per cent). Fifty-eight supervisors, averaging 3.5 subordinates per supervisor, provided global job performance ratings. The supervisor sample was 88% male and 91% Caucasian. Average age was 46 and the average job tenure 7.2 years.

## Measures

### Procedural fairness

Colquitt's (2001) 7-item ( $\alpha = .92$ ) procedural fairness measure gauged whether subordinates perceived decision-making protocols to be fair. A sample item includes "The procedures used to arrive at your outcomes (e.g., performance evaluations, bonuses, disciplinary reviews, etc.) have been free of bias."

### Informational fairness

The 5-item informational dimension ( $\alpha = .93$ ) of Colquitt's (2001) organization fairness measure assessed subordinate perceptions of informational fairness. An example is "Your supervisor has been candid in (his/her) communications with you."

### Distributive fairness

We assessed distributive fairness by using Colquitt's (2001) 4-item measure ( $\alpha = .97$ ). A sample item includes "Your outcome is justified, given your performance."

### Turnover intentions

We appraised employee intent to turnover using a 3-item ( $\alpha = .94$ ) measure from Cammann et al. (1983). A sample item is "I will probably look for a new job in the next year."

### Job performance

Employee performance evaluations obtained from the HR department served as the dependent variable in Study 2. Other research examining relations between fairness and job performance has similarly used global measures of performance in their analyses (e.g., Masterson et al., 2000). Such evaluations aggregate multiple performance subcategories that are salient for pay and promotion decisions. In the current study, supervisors completed annual performance reviews for their direct subordinates. Objectives compartmentalized into four sections (financial, employee, customer, and process) comprised these reviews. The financial component signifies the extent the individual attained objectives that impacted the organization's profitability. The employee component reflects how successfully the individual developed collegial relationships. The customer component indicates how well the individual served internal and external clients. The process component reflects how well operations were managed or improved. These components were compiled into a global job performance rating for the previous year. The performance review process permits employees to comment on or appeal any part of the evaluation. Because decisions using these comprehensive reviews could have a tangible impact on employees (e.g., salary and benefits), they may carry gravitas that supervisory ratings of subordinate behavior for research study purposes would not. Because of confidentiality concerns, the HR department provided only the aggregated global performance measure. Employees were rated using a 5-point Likert-type scale (1 = *unsatisfactory*, 2 = *below expectations*, 3 = *positive*, 4 = *high*, and 5 = *exceptional*).

### Control variables

As previously described in Study 1, we again controlled for the effects of age, gender, race, and distributive justice in Study 2. Further, we controlled for job tenure (Weekley & Ployhart, 2005).

## Study 2 Results and Discussion

We again conducted confirmatory factor analysis to establish the convergent and discriminant validity of our constructs (Table 4). We expected items to load on the latent variables in a manner consistent with extant research on these scales. Therefore, we anticipated the data would be consistent with the 4-factor model indicated in Table 4. Results from the 4-factor model indicated an acceptable fit [ $\chi^2(df) = 233.30(144)$ ,  $p < .01$ ;  $CFI = 0.99$ ;  $NFI = 0.98$ ;  $RMSEA = 0.06$ ].

To verify the use of these variables as individual scales or grouped factors, we tested alternative models. We created a model in which all items were allowed to load on a single common factor. Results indicated that the overall model-to-data fit was inadequate [ $\chi^2(df) = 1500.81(150)$ ,  $p < .01$ ;  $CFI = 0.85$ ;  $NFI = 0.84$ ;  $RMSEA = 0.21$ ] and the chi-square difference test was statistically significant [ $\chi^2_{diff}(6) = 1267.51$ ,  $p < .01$ ], suggesting that these items should not be combined into one factor. We created a 2-factor model combining the dimensions of organizational fairness (i.e., informational, procedural, and distributive) into one factor. Results indicated that the overall model-to-data fit was inadequate [ $\chi^2(df) = 1084.67(149)$ ,  $p < .01$ ;  $CFI = 0.90$ ;  $NFI = 0.88$ ;  $RMSEA = 0.18$ ] and the chi-square difference was statistically significant [ $\chi^2_{diff}(5) = 851.37$ ,  $p < .01$ ], suggesting that these factors should not be combined. As shown in Table 4, we tested three additional models combining different fairness factor structures. These models were inferior to the proposed 4-factor model developed in the theoretical framework.

As with the Study 1 data, we calculated the AVEs by using the loadings from the expected 4-factor measurement model. Convergent validity is suggested if the AVE of each latent variable exceeds 0.50, which was the case in this study (procedural fairness = 0.64, informational fairness = 0.71, distributive fairness = 0.87, and turnover intentions = 0.86). On the other hand, discriminant validity is suggested when the AVE of a given variable is greater than the squared correlation between it and the other variables in the study. The data in this study met this requirement, pointing toward convergent and discriminant validity of the latent variables.

In our sample, subordinates were nested under supervisors who provided their performance ratings. On average, each supervisor rated nearly four subordinates, creating the potential for non-independence in the ratings. We calculated intraclass correlations (ICC1) to test for non-independence in the data and to estimate the proportion of variance in ratings attributable to the effects of shared supervisors (James, 1982). The ICC1 for performance was .28, and the intercepts of performance across supervisors varied significantly (Wald  $Z = 2.70$ ,  $p < .01$ ), suggesting the potential for non-independence effects (Hox, 2002). Therefore, we developed a random intercept model, allowing for random intercepts and slopes across Level 2 units (i.e., supervisors). Such a model controls for non-

Table 4. Alternative measurement model test results (Study 2).

| Model                                      | $\chi^2$ | $Df$ | $\chi^2_{diff}$ | $Df_{diff}$ | CFI  | NFI  | RMSEA |
|--|----------|------|-----------------|-------------|------|------|-------|
| 4-factor expected model—PF, IF, DF, and TI | 233.30   | 144  | —               | —           | 0.99 | 0.98 | 0.06  |
| 3-factor—(PF and DF combined), IF, and TI  | 761.59   | 147  | 528.29*         | 3           | 0.93 | 0.92 | 0.14  |
| 3-factor—(PF and IF combined), DF, and TI  | 632.56   | 147  | 399.26*         | 3           | 0.95 | 0.93 | 0.13  |
| 3-factor—(IF and DF combined), PF, and TI  | 928.44   | 147  | 695.14*         | 3           | 0.91 | 0.90 | 0.16  |
| 2-factor—(PF, IF, and DF combined), and TI | 1084.67  | 149  | 851.37*         | 5           | 0.90 | 0.88 | 0.18  |
| 1-factor—all items load on a single factor | 1500.81  | 150  | 1267.51*        | 6           | 0.85 | 0.84 | 0.21  |

PF, procedural fairness; IF, informational fairness; DF, distributive fairness; TI, turnover intentions;  $Df$  = degrees of freedom, CFI, comparative fit index; NFI, normed fit index; RMSEA, root mean square error of approximation; diff, difference.

\* $p < .01$ .

independent error terms implicit in nested data structures (Hofmann, 1997; Hofmann & Gavin, 1998). We used hierarchical linear modeling (HLM; Raudenbush, Bryk, Cheong, Congdon, & du Toit, 2004) to analyze the data. In these analyses, we entered the control variables first, the fairness dimensions second, turnover intentions third, and the interaction term comprising a cross-product of the particular focal fairness variable and turnover intentions in the fourth step. We grand-centered the fairness and turnover intentions measures in these analyses.

We present means, standard deviations, intercorrelations, and alpha reliabilities in Table 5. As anticipated, zero-order correlations among the fairness variables were high ( $\bar{r} = .63, p < .01$ ). It should also be noted that the zero-order correlations of turnover intentions with procedural ( $r = -.36, p < .01$ ) and informational ( $r = -.40, p < .01$ ) fairness are consistent with extant research (Conlon et al., 2005).

With regard to control variables, age correlated with turnover intentions ( $r = -.19, p < .01$ ), job performance ( $r = -.14, p < .05$ ), and as expected, organizational tenure ( $r = .29, p < .01$ ). Informational ( $r = .25$ ) and procedural ( $r = .21$ ) fairness were significantly related ( $p < .01$ ) to job performance, but distributive fairness was not.

In addition to examining zero-order correlations, we assessed relations between process fairness and performance in HLM to control for the nested supervisor effects in the data. As seen in Table 6 (Model 2), the regression coefficient was not statistically significant ( $\gamma = .08, ns$ ) for the relationship between procedural fairness and job performance. Thus, despite supportive correlational evidence, this suggests partial support for Hypothesis 1a. Model 2 indicates that informational fairness positively related to performance ( $\gamma = .15, p < .05; R^2 = .03$ ), supporting Hypothesis 1b.

Table 6 shows that the interactive effect between procedural fairness and turnover intentions on performance was statistically significant (Model 4,  $\gamma = -.16, p < .01; R^2 = .05$ ). To properly interpret the interaction, we plotted the relationship between procedural fairness and job performance at high (1 *SD* above the mean) and low (1 *SD* below the mean) levels of turnover intentions (Stone & Hollenbeck, 1989). Figure 1c indicates that the relationship between procedural fairness and job performance was stronger for employees with low turnover intentions. We conducted a simple slope test to determine if the slopes of the lines found in the interaction plot were significantly different than zero. This analysis indicated that the relationship between procedural justice and performance was statistically significant for employees with low turnover intent ( $B = .22; t = 2.25, p < .05$ ) but was not for those with high intent to turnover ( $B = -.11; t = -1.01, ns$ ). Among employees with high intent to turnover, the impact of procedural fairness perceptions on performance was minimal. These results support Hypothesis 2a.

For Hypothesis 2b, the HLM results in Table 6 show a significant interaction effect between turnover intentions and informational fairness (Model 5:  $\gamma = -.13, p < .01; R^2 = .07$ ). To determine whether the interaction was consistent with our hypothesis, we plotted the results following the previously discussed procedure. Figure 1d displays the interaction plot. Again, we conducted a simple slope test to verify if the slopes of the lines found in the interaction

Table 5. Means, standard deviations, and intercorrelations (Study 2).

| Variable                  | <i>M</i> | <i>SD</i> | 1      | 2      | 3      | 4      | 5     | 6     | 7    | 8    |
|---------------------------|----------|-----------|--------|--------|--------|--------|-------|-------|------|------|
| 1. Informational fairness | 3.44     | 0.89      | (.93)  |        |        |        |       |       |      |      |
| 2. Procedural fairness    | 3.31     | 0.78      | .69**  | (.92)  |        |        |       |       |      |      |
| 3. Distributive fairness  | 3.26     | 1.02      | .59**  | .60**  | (.97)  |        |       |       |      |      |
| 4. Turnover intentions    | 2.43     | 1.06      | -.40** | -.36** | -.32** | (.94)  |       |       |      |      |
| 5. Job performance        | 3.46     | 0.72      | .25**  | .21**  | .11    | -.03   | —     |       |      |      |
| 6. Age                    | 44.81    | 9.18      | .01    | .05    | .00    | -.19** | -.14* | —     |      |      |
| 7. Gender                 | 0.24     | 0.43      | -.16*  | -.17*  | -.06   | .03    | -.13  | .02   | —    |      |
| 8. Race                   | 0.13     | 0.33      | -.07   | -.06   | .01    | .01    | -.02  | -.16* | -.05 | —    |
| 9. Organizational tenure  | 10.69    | 7.48      | -.08   | .00    | -.01   | -.00   | -.02  | .29** | .06  | -.08 |

Note:  $n = 206$ . Values on the diagonal are reliability estimates. Gender is coded 0 = male, 1 = female; Race is coded 0 = White, 1 = Non-white. Age and organizational tenure measured in years.

\* $p < .05$ ;

\*\* $p < .01$ .

Table 6. Hierarchical linear modeling results for job performance (Study 2).

| Variable                                     | Model 1 | Model 2 | Model 3 | Model 4 | Model 5 |
|--|---------|---------|---------|---------|---------|
| <i>Controls</i>                              |         |         |         |         |         |
| Age  | -.01*   | -.01*   | -.01*   | -.01*   | -.01*   |
| Gender                                       | -.22    | -.14    | -.14    | -.13    | -.14    |
| Race   | -.08    | -.02    | -.02    | -.06    | -.07    |
| Organization tenure                          | .00     | .01     | .01     | .00     | .00     |
| <i>Fairness variables</i>                    |         |         |         |         |         |
| Distributive fairness                        |         | -.04    | -.04    | -.04    | -.03    |
| Procedural fairness                          |         | .08     | .09     | .06     | .05     |
| Informational fairness                       |         | .15*    | .15*    | .15*    | .15*    |
| <i>Moderator</i>                             |         |         |         |         |         |
| Turnover intentions                          |         |         | .01     | .01     | .00     |
| <i>Interaction</i>                           |         |         |         |         |         |
| Procedural fairness × Turnover intentions    |         |         |         | -.16**  |         |
| Informational fairness × Turnover intentions |         |         |         |         | -.13**  |
| R <sup>2</sup>                               | .02*    | .03**   | .03**   | .05**   | .07**   |
| ΔR <sup>2</sup>                              |         | .01**   | .00     | †.02**  | †.04**  |

Note:  $n = 206$ .

† ΔR<sup>2</sup> in relation to Model 3.

\* $p < .05$ ;

\*\* $p < .01$ . Unstandardized coefficients are shown.

plot were significantly different than zero. This analysis indicated that the relationship between informational justice and performance was statistically significant for employees with low turnover intent ( $B = .29$ ;  $t = 3.13$ ,  $p < .01$ ) but was not for those with high intent to turnover ( $B = .01$ ;  $t = .13$ ,  $ns$ ). These results support Hypothesis 2b.

## General Discussion

These studies tested and found support for positive relationships between employees' perceptions of process fairness and their job performance. More importantly, as Figure 1a–d illustrates, more pronounced positive relationships exist for employees intending to stay with an organization than for those intending to leave. Results from Study 1 suggested further investigation was warranted, and we therefore sought to generalize these results to a field setting. Controlling for the effects of a number of salient demographic variables, we found significant interactions for the two dimensions of process fairness. The interaction plots suggested that turnover intentions significantly influence process fairness–performance relations within a meaningful range (Cohen, Cohen, West, & Aiken, 2003). Taken together, our findings imply that turnover intentions cognitively constrain the positive effects of fairness on job performance.

When individuals intend to remain with an organization, expectations regarding the conduct of the organization's most immediate representatives (i.e., supervisors—Skarlicki & Folger, 1997) may weigh heavily on employee behavior. Moreover, employees' intention to remain further implies that, all things being equal, the quality of anticipated future treatment by the organization is of no small import. When employees anticipate future positive treatment (on the basis of past process fairness), they will likely maintain or increase their performance efforts (Colquitt et al., 2001). Conversely, experiencing procedural unfairness or being organizationally uninformed may underscore their vulnerability to future exploitation. SET suggests that those who feel more indebted to the organization (i.e., those experiencing process fairness) should reciprocate with stronger performance to maintain a positive exchange cycle. Our results are congruent with this notion, demonstrating that process fairness affected the performance of employees who intend to remain with the organization.



On the other hand, our results also suggest that those with intent to leave may be less sensitive to process fairness considerations. A lack of organizational attachment may diminish their responses to fair (or unfair) events. Turnover intentions, in particular, appear to function as a cognitive contextual factor that may attenuate the utility of process fairness. Examining a referent cognitions model of turnover, Aquino, Griffeth, Allen, and Hom (1997) found the likelihood of problem amelioration negatively correlated with employees' withdrawal intent. The likelihood of amelioration reflects employees' expectations that their future organizational circumstances may improve. This finding has been replicated recently in two additional samples (Allen et al., 2009). The potential benefits of process fairness may not concern employees with high turnover intentions because they do not anticipate being around to collect them. This idea parallels Barsade, Ramarajan, and Westen's (2009) findings that employees who may have mentally started the process of leaving may react less strongly to issues of fairness in the organization.

Whereas our study focused on turnover intentions, it is possible that other variables may describe conditions under which the impact of process fairness dissipates. As noted earlier, high process fairness may not comparably affect less engaged employees (Brockner et al., 2009). Thus, variables reflecting estrangement from work could delineate conditions inhibiting the benefits of process fairness. For example, employees experiencing forms of psychological detachment, such as job burnout, could be numb to the effects of process (un)fairness. Maslach and Leiter (2008) suggested that perceived unfairness may initiate a cascade of negative job reactions, culminating in job burnout. Once past a tipping point, employee immunity to fairness might inhibit hopes of correcting past injustices.

### *Limitations and strengths*

Although these studies offer a novel perspective on the relationship between organizational fairness and employee performance, we are mindful of certain limitations that may have affected our results. First, our models do not include other factors that might affect relationships between process fairness and employee job performance. In work contexts where supervisors and subordinates are working more as interdependent team members or in strongly tied dyads, interpersonal fairness would take on greater importance and should be investigated. Also, recent research suggests that individual dispositional characteristics may interact with fairness perceptions to affect employee performance. Colquitt, Scott, Judge, & Shaw (2006) noted that trust propensity, risk aversion, and trait morality all interacted with process fairness to predict task performance. Brockner et al. (2009) proposed that individuals' self-esteem or regulatory focus might also moderate relations between process fairness and attitudinal outcomes. Therefore, investigating how turnover intentions interact with dispositions may be a productive future research direction. We also note that although evidence for the hypothesized effects surfaced in both studies, neither study included measures to explain directly why turnover intentions moderated process fairness–job performance relations. Assessing employee needs for instrumental/relational workplace concerns or determining if employees monitor certain fairness dimensions under varying managerial control contexts (Long, Bendersky, & Morrill, 2011) could help researchers better understand processes that underlie these effects.

A second potential limitation is that Study 1 data were collected from undergraduate students at one point in time. Although all participants were employed, their jobs were typically not long-term, professional positions. However, the replication of hypothesized effects in Study 2 with supervisors rating the performance of professional employees somewhat mitigates this concern, as real career outcomes (i.e., pay, promotions, and warnings) were involved. Despite the design improvements of Study 2, another possible limitation involves the global performance measure used. Other research, however, supports the use of global measures for performance (Aguinis, 2009; Wright, Cropanzano, & Bonett, 2007) and managerial potential (Staw & Barsade, 1993).

In addition, because the organization developed the outcome measure to make pay and promotion decisions, there could be concerns that halo or other biases affected supervisors' ratings of subordinates. However, we collected turnover intent and perceptions of fairness from subordinates, whereas we collected ratings of employee performance from supervisors to reduce common source method effects (Podsakoff et al., 2003). Additionally, for Study

2, we collected performance ratings an appreciable length of time after the employee survey, reducing the likelihood that job performance ratings would influence employee survey responses (Schwab, 2005). The job performance measure came from appraisal reviews conducted nearly a year on average after employees completed their surveys. However, assuming some stability in performance levels, we recognize that prior appraisals could have influenced their survey responses in unknown ways. For this reason, similar future studies should also collect prior performance review data.

### *Future research and implications*

This study empirically tested how turnover intentions impact the link between process fairness and employee job performance. In some ways, our efforts parallel emergent research in a related domain, job embeddedness (Mitchell, Holtom, Lee, Sablinski, & Erez, 2001). Embeddedness refers to the totality of forces keeping a person on a job, influencing both employee withdrawal and performance. More recently, Sekiguchi, Burton, and Sablinski (2008) found that job embeddedness moderated the relationship between leader–member exchange and task performance, such that the relationship was stronger for more embedded employees.

As job embeddedness and turnover intentions both broadly reflect employee withdrawal tendencies, this study may inform future job embeddedness research. We found that process fairness is important for employees who intend to remain with the organization. That is, the immobile investments of organizationally embedded employees may intensify their responses to perceived fairness. Embedded employees may react similarly to those with low turnover intentions, in that healthy exchanges could motivate them and unhealthy ones may breed discontent (Sekiguchi et al., 2008). As such, investigating the moderating role of job embeddedness may constitute a natural progression from this study. As noted previously, the employment climate in the area for the organization in Study 2 was limited, and a lack of alternate career opportunities may have affected employees' behavior. Future research in embeddedness should include the local employment conditions as a contextual consideration.

This study focused on the effects of process fairness on one behavioral outcome, in-role performance, and studying other criteria would contribute to the overall body of knowledge. For example, researchers have begun to investigate the interactive effects of fairness variables on other important individual-level work behaviors, such as organizational citizenship (Tepper & Taylor, 2003) and retaliation behavior (Skarlicki, Folger, & Tesluk, 1999). Future research could broaden the area by conducting deeper investigations of the underlying psychological processes that link process fairness, turnover intent, and performance. Multiple factors may influence why employees who intend to leave still demonstrate reasonable performance. First, there may be a social component in which individuals do not want to “look bad” to their peers and desire to maintain their self-image as a professional. Second, regardless of their internal feelings, individuals may not want to risk damaging their social capital networks. Contributing up to the day they leave may improve employees' likelihood of capitalizing on a positive reference or an unknown future opportunity. Third, by demonstrating acceptable performance until they leave, employees with outstanding receivables (e.g., submitted expense reports and unused vacation time) avoid jeopardizing the timely receipt of these benefits. A study that longitudinally tracks such factors could be valuable in clarifying the underlying psychological processes involved.

The results of the current research also have practical implications. Extant process fairness research emphasizes “standard work” (Pfeffer & Baron, 1988) and typically focuses on full-time employees. Technological and social developments may alter expectations regarding employment permanency in the workplace (Montoya-Weiss, Massey, & Song, 2001). An increase in contingent job arrangements (e.g., part-time or short-term contracting) could affect how fairness is construed. How well organizations integrate contingent workers along with permanent employees may influence the salience of fairness. For example, Camerman et al. (2007) found that although contingent workers exhibited reactions to procedural justice expected of permanent workers, contingent workers reacted as if informational justice was more salient, perhaps because they were outside of normal organizational communication channels. Virtual work arrangements redefine organizational communication linkages and could also affect how

the dynamics of process fairness manifest. We suggest factors that attenuate perceived integration or its relevance to employees, whether perceived (e.g., turnover intentions) or actual (e.g., contingent employment), may affect the salience of fairness and its impact on attitudinal and behavioral outcomes.

In conclusion, we found evidence from two studies that process fairness perceptions influence employee performance, and this effect depends on employee intent to remain in the organization. In general, previous research emphasized that practitioners must consider employee fairness to best utilize organizational resources and effectively compete in the marketplace (Brockner, 2006). Addressing complexities of fairness effects in organizations, Greenberg (1990a) early on noted that in addition to being fair, it is important that organizations should look fair. Our results suggest that even when organizations are fair and perceived as such, the performance of certain employees may remain unaffected by the usual positive influence of process fairness. We hope these results will stimulate others to explore new research avenues regarding the boundaries of process fairness, particularly its connection with turnover intent and other withdrawal-related phenomena.

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