Perform well! If you achieve goof results, even unintentionally, you will be rewarded!

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ABSTRACT

Distributive justice theory posits that different criteria can be used to determine the distribution of bonuses among employees, namely equity, equality and the need rule. From an equity perspective, performance is often the key criterion meaning that the best employee will earn the most. However, theories of causal attribution suggest that better performance may result either from the greater skills or efforts of employees or from factors entirely unrelated to the actions or attributes of employees. In this study, 120 managers were asked to indicate the bonus they would grant to an employee by taking into consideration the employee’s performance and the extent to which the employee is responsible for his or her performance. Overall, the results indicate that performance is the primary factor influencing bonus distribution: a high performance employee earns more than other employees, regardless of his/her role in achieving success. However, there appears to be a limited interaction, with responsibility potentially acting as a moderating variable. The findings suggest that high performance associated with a low level of responsibility is viewed negatively, while a degree of leniency tends to be shown toward a lower performing employee not responsible for his/her poor performance. The results are discussed in terms of self-presentation strategies.

KEYWORDS: distributive justice, performance, causal attribution, equity
& Bartolini, 2009), intent to leave (Aryee, Budhwar, & Chen, 2002), organizational commitment (Di Fabio & Bartolini, 2009), work performance (Chang & Dubinsky, 2005; Fields, Pang, & Chiu, 2000; Shaw, Gupta, & Delery, 2002), organizational citizenship behavior (Moorman & Byrne, 2005), and resistance to change (Shapiro & Kirkman, 1999).

Organizational justice is generally considered to comprise three elements (Cropanzano, Byrne, Bobocel, & Rupp, 2001; Cropanzano & Greenberg, 1997; Konovsky, 2000): distributive justice related to resource distribution; procedural justice related to decision processes concerning pay and promotion, and interactional justice. In organizations, the concept of distributive justice is used to refer to situations in which individuals receive some form of benefit, reward or remuneration from a third party. In these situations, distributive justice theorists distinguish between three modes of distribution: equality (i.e., each individual is paid equally regardless of his/her contribution), and two non-egalitarian approaches, with needs on the one hand (every individual is paid on the basis of what s/he needs) and equity on the other (which rewards merit and, in particular, each individual’s contribution) (Leventhal, 1976; Sampson, 1986). In an equitable situation, remuneration is proportional to the contribution of each individual.

Previous research has found that the equality rule is closely associated with group harmony (Chen, Meindl, & Hui, 1998; Cropanzano & Ambrose, 2001), and serves to increase group identification (Sheppard & Tuchinsky, 1996). The equality rule assumes a high level of inter-individual interdependence, while equity, by contrast, is found in cases of low interdependence (Chen, Meindl, & Hui, 1998). The need rule is applied primarily when the focus is on promoting individual well-being (Steiner, Trahan, Haptonstahl, & Fointiat, 2006), and is commonly observed in small, restricted settings and communities such as family units. The criterion of equity, which emerged from work by Adams (1963, 1965), is associated with situations in which the organization promotes performance and productivity (Colquitt, 2001), and there is evidence that using the equity rule leads to high productivity (Fast & Berg, 1975; James, 1993; Martin & Harder, 1994). Equity based rewards may thus be viewed as incentives to produce more and better (Sheppard & Tuchinsky, 1996), and as a strategy serving to promote interpersonal competition (Kabanoff, 1991) at the expense of team spirit and group harmony.

Adams (1963, 1965) considered a wide range of contributor factors: assumed responsibilities, incurred risks (i.e., dismissal), skill, intelligence, level of seniority, age, gender, ethnic origin, physical appearance, and attractiveness, but also, and perhaps above all, performance. However, the concept of performance is multi-dimensional, and the measurement of performance varies depending on the considered dimension (Campbell & Wiernik, 2015). In this study, we conceptualize performance as referring to the level of goal achievement defined by a decision maker. For example in case of a seller, performance is linked with the level of sales in terms of turnover or profit. But the seller’s retribution must also take into account
the extent to which this seller influenced his/her performance (Miller, 1999). The obtained performance must be attributed to the employee and not to external factors beyond his/her control, meaning that true distributive justice exists only if the employee is responsible for the obtained performance (Pulakos & O'Leary, 2010).

This raises the question of the responsibility of the actor in the obtained performance. Responsibility is a central concept in civil and criminal justice, in that the level of responsibility directly influences the criteria used to punish the perpetrator of an offense or a crime (Shultz, Schleifer, & Altman, 1981). If in contrast, the aim is to sanction somebody positively, the main criterion involves examining the causal link between the person, his act, and the effects produced by this act (Hamilton, 1980; Hardy-Massard & Gangloff, 2008; Shaver & Drown, 1986). This is known as attribution of responsibility.

Attributional models consider that observed gains and actual behaviors can be caused by either internal or external factors (Heider, 1944, 1958; Rotter, 1966; Lefcourt, 1966). Kelley (1967) developed a covariation model involving causes and effects. Kelley (1967) defined the attribution process as an implicit analysis of variance by hypothesizing that humans operate as intuitive scientists searching for information that enables them to determine whether the observed behavior is due to dispositional (internal) or situational (external) factors. In this view, the approach adopted by an individual is comparable to a scientist engaging in a logical process of covariational reasoning, which can be used to analyze changes in effects (i.e., the subject’s behaviors) according to situational variations (i.e., other individuals, temporal and contextual conditions). This analysis might lead to either internal or external attributions, and these are based on three types of situational information available to the observer: consensus, distinctiveness, and consistency information.

Consider the case of a reader who enjoyed reading a book. Consensus analysis involves comparing the reader’s behavior with the behavior of other readers and asking whether the individual is alone in having enjoyed the book. Distinctiveness relates to the individual’s responses to the stimulus: the observer asks whether the individual only enjoyed this particular book or whether he/she enjoyed all the books he/she has read. The consistency dimension involves comparing the behavior of the individual in the studied situation to the behavior of the individual in other circumstances, the aim being to determine whether the individual experiences the same reading pleasure regardless of time and place. In this model, four factors are considered in examining variations in effects: the object (i.e., the book), the temporal conditions of interaction with the object, the contextual conditions of interaction with the object, and the individuals interacting with the object. By considering all four factors, attributions are made to the individual, the stimulus (the book), or to the situation. Another example is given by McArthur (1972) to illustrate the conditions leading to each determinant: John laughs at the comedian. McArthur posits that John’s response (i.e., laughter) may be caused by various factors: either John laughs because of his own personality (i.e., he has a...
tendency to laugh at anything – attribution to the actor); or he laughs because of a characteristic of the comedian (the comedian is irresistibly funny – attribution to the stimulus); or his behavior is related to temporal conditions (i.e., John drank excessively during the meal before the show – attribution to circumstances). In other words, each factor may have caused John to laugh. From a statistical perspective, the effect (i.e., laughter) will be seen as having been caused by John’s personality: 1) if John is the only person to laugh at the comedian (low consensus); 2) if John always laughs at the comedian’s shows (high consistency); and 3) if all comedians make him laugh (low distinctiveness).

In sum, Kelley’s model implies that an individual’s behavior can be attributed to the individual but also to external stimuli and to circumstances if the analyst has sufficient additional information about distinctiveness (relating to the variation of the actor’s response to equivalent stimuli), consistency (consistency over time and consistency despite variations in the context in which the actor enters into contact with the stimulus), and consensus (identity of reactive behaviors of different actors) with respect to the observed behavior. Using an experimental approach, McArthur (1972) verified the validity of the model by asking 88 participants to respond to a 16-item questionnaire (John laughs at the comedian, etc.), each item being associated with complementary information referring respectively to: consensus (high or low consensus), distinctiveness (high or low distinctiveness) and consistency (high or low consistency). The results point to person attribution when associating low distinctiveness, low consensus, and high consistency, stimulus attribution when associating high distinctiveness, high consensus, and high consistency, and situational attribution to context and circumstances when associating high distinctiveness and low consistency (with consensus playing no role in this attribution). The same model was also used and tested by Orvis, Cunningham, and Kelley (1975), Pruitt and Insko (1980) and Gangloff and Pasquier (2008), yielding results consistent with Kelley’s predictions. However, Harvey, Madison, Martinko, Crook, and Crook (2014) point out that little research in organizational field used attributional theories, and particularly Kelley’s model. More specifically, to the best of our knowledge, the use of this model has never been studied as a decision criterion in the context of workplace distributive justice. Thus, without reference to Kelley’s model, Skitka and Tetlock (1992) showed that in a population of students the allocation of non-monetary resources, particularly medical ones to those in need of an organ transplantation depended on several variables such as extent of distributable resources, allocator’s ideology, or severity of illness etc. In particular, in case of limited resources the results indicated that when claimants were responsible of their illness, decisions were made that they receive less help than those who were not responsible for their illness. In their discussion, the authors wondered whether similar results would be obtained in a professional environment about allocation of pay bonuses.
Current study

The purpose of the present study is to determine whether, in the context of wage distribution, the amount paid to an employee is only determined by his/her performance or whether his/her level of responsibility for this performance is also taken into consideration. In a first step, we intended to verify if the employee’s decision concerning the employer’s benefits is influenced by equity (i.e., unequal distributions) or by equality. As this is an exploratory research, the hypotheses are not formalized, but are left open.

METHOD

Participants
Conducted in Argentina from May to June 2015, this study used a sample of 120 males selected on the basis of their status as managers, and their work sector, mainly from trade and distribution services. As this is an exploratory research, we only examined main variables, and did not collect any demographic data such as age or seniority in the workplace.

Research Design
The research design is represented by a 2x2 between-subject factorial plan, in which one independent variable was represented by performance operationalized by the employee’s rank (the 2nd or 5th best salesman of the agency), and the other independent variable was the employee’s level of responsibility, which was operationalized by providing information indicating responsibility of the employee (low consensus, high consistency, and low distinctiveness) or no responsibility of the employee (high consensus, high consistency and high distinctiveness). The dependent variable was the amount of money the employee would receive as a bonus, which is to be shared with other six persons from the sales staff. Thirty participants were randomly assigned to each experimental situation.

Instruments
Participants received one of the following four scenarios in which Sebastián was the main character. The first scenario reflected the high ranked performance/responsibility situation, when Sebastián was ranked 2nd and the agency manager provided information to emphasize attribution to Sebastián: “Last month, most of the work we did was with our usual main client. Take the example of Sebastián. I can’t quite make up my mind. He was the second best performer. My team generally performs poorly with this client. By contrast, Sebastián generally does well with this client, but he usually performs well with all our other clients as well.” In the second scenario the information reflected the high ranked performance/no responsibility situation, and an attribution for performance was made to the stimulus (i.e., the client): “Last month, most of the work we did was
with our usual main client. Take the example of Sebastián. I can’t quite make up my mind. He was the second best performer. My team generally performs well with this client. As does Sebastián; he generally performs well with this client. However, he usually performs poorly with all our other clients.” The third scenario involved a low ranked performance/responsibility, in which Sebastián was ranked 5th and the agency manager provided the following information to emphasize attribution to Sebastián: “Last month, most of the work we did was with our usual main client. Take the example of Sebastián. I can’t quite make up my mind. He was the fifth best performer. My team generally performs well with this client. By contrast, Sebastián generally performs poorly with this client, but he usually performs badly with all our other clients as well.” The fourth scenario depicted the low ranked performance/no responsibility situation, in which an attribution to stimulus was provided: “Last month, most of the work we did was with our usual big customer. Take the example of Sebastián. I can’t quite make up my mind. He was the fifth best performer. My team generally performs poorly with this client. As does Sebastián: he generally performs poorly with this client. However, he generally performs well with all our other clients.”

Concerning the measurement of the dependent variable, the participants were asked to indicate the amount of bonus (between 0 and 6,000 pesos Argentinos) they would propose to give to Sebastián. Lastly, participants could indicate the reason for their decision (this information was only used to better interpret the obtained results).

Procedure
After approval from their organization, participants were contacted at their workplace, and asked to respond to a fictitious scenario, in which they were required to advise the manager of an estate agency about the share of the monthly bonus (6,000 Argentinian pesos) among his six sales staff, and specifically, to suggest the amount they would recommend paying to one particular member of staff (Sebastián) based on his performance and according to his level of responsibility in achieving his work related goals. All approached participants provided answers to the received scenarios. The 120 participants were randomly assigned to one of the four conditions of the research.

Analytic plan
Statistically, our dependant variable was examined in two ways. First, we ran chi-squared tests to compare the number of equal/unequal distributions within the six salesmen, namely to examine whether Sebastián gets the same amount as each of the 5 other sellers, or if he receives a specific amount, either larger or lower than the others’. Second, we used ANOVA and post-hoc t tests to determine the effects that the employee’ performance rank (2nd vs. 5th) and level of responsibility (responsible vs. not responsible) have on the amount of premium granted to the fictitious employee.
RESULTS

First, we examined equal and unequal distributions within the six salesmen and found that the distributions were more unequal than equal, \( \chi^2 (1, N=120)=13.33, p < .001 \), regardless of whether Sebastián was ranked 2\(^{nd}\) \((42/18, \chi^2 (1, N=60)=9.6, p < .01)\) or 5\(^{th}\) \(\chi^2 (1, N=60)=4.27, p < .05\), and whether he was deemed to have been responsible for his performance, \( \chi^2 (1, N=60)=9.6, p < .01 \) or not responsible, \( \chi^2 (1, N=60)=4.27, p < .05 \) (Table 1).

Table 1.
Number of equal and unequal payments within the six salesmen, depending on the situation

<table>
<thead>
<tr>
<th></th>
<th>2(^{nd})</th>
<th>5(^{th})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equal</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Equal</td>
<td>22</td>
<td>20</td>
</tr>
<tr>
<td>Not responsible</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Not responsible</td>
<td>20</td>
<td>18</td>
</tr>
</tbody>
</table>

When examining the amounts paid to Sebastián, a ranking effect was found \( F(1,118) = 61.14, p < .001, \eta^2 = .34 \). The results suggest that higher amounts were paid when Sebastián was ranked 2\(^{nd}\) compared to when he was ranked 5\(^{th}\). The level of responsibility variable had no effect on the decisions regarding the amount allocated as a reward \( F(1,118) = .74, p = .39, \text{ns} \). And finally, we found a significant interaction effect between performance ranking and level of responsibility, \( F(1,118) = 4.38, p = .04, \eta^2 = .036 \).

Table 2.
Suggested payments to Sebastián according to his performance and level of responsibility

<table>
<thead>
<tr>
<th></th>
<th>2(^{nd})</th>
<th>5(^{th})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsible</td>
<td>1331.67</td>
<td>676.71</td>
</tr>
<tr>
<td>Not responsible</td>
<td>1136.67</td>
<td>758.33</td>
</tr>
</tbody>
</table>

Post-hoc \( t \) tests were performed to establish the direction of the main effect of the interaction effect. We found that when Sebastián was responsible for his performance, he received on average 1,331 pesos when ranked 2\(^{nd}\) compared to 676 pesos when ranked 5\(^{th}\), \( t(58) = 6.36, p < .001 \); when Sebastián was not responsible for his performance, he received on average 1,136 pesos when ranked 2\(^{nd}\) compared to 758 pesos when ranked 5\(^{th}\), \( t(58) = 4.42, p < .001 \) (Table 2). In other words, when Sebastián was ranked 2\(^{nd}\) without being responsible for his performance, he received less than when he played a significant role in his own performance. However, when ranked 5\(^{th}\), leniency was shown when Sebastián was
not responsible for his performance, as Sebastián received more when he was not responsible for his poor performance compared to when he was responsible for it.

Figure 1
Interaction effect (R+ = responsible; R- = no responsible)

DISCUSSION

First, the study found that equity, based on a performance criterion, takes precedence over equality. This finding is consistent with Wagstaff, Huggins, and Perfect (1993), who found that, in a work setting, equity tends to be the preferred method of resource distribution, while equity is more commonly used in interpersonal situations involving affects (for example, a family setting). However, we also found that egalitarian distribution decisions, though significantly less common than equity-based decisions, are nonetheless not uncommon (see Table 1). An analysis of the participants’ responses provides some answers, suggesting that employees form a group or team in which the emphasis is on maintaining harmony, rather than to encourage competition, resulting in rivalries and conflicts (e.g., “Same for all, otherwise there will be discord”; “It is a team: if we give more to one of them, we will generate competition and competitiveness”; “We must maintain harmony between sellers”). By contrast, when participants chose equity, the study found that performance tends to be emphasized. These findings are consistent with data in the literature. As noted in the introduction, the equality rule is associated with the maintenance of group harmony (Chen, Meindl, & Hui, 1998; Cropanzano
By contrast, merit-based rewards favor inter-individual competition (Kabanoff, 1991) to the detriment of team spirit and harmony. Researches also suggest that the preferred rule is culture-dependent. According to Hofstede’s model (1980, 1991) collectivist cultures favor equality while individualistic cultures tend to be more centered on equity (Bond, Leung, & Wan, 1982; Clayton & Opotow, 2003; Greenberg, 2001; Kim, Park, & Suzuki, 1990; Miles & Greenberg, 1993; Morris & Leung, 2000; Murphy-Berman & Berman, 2002; Murphy-Berman, Berman, Singh, Pachauri, & Kumar, 1984). Given that Argentina is considered the most individualistic country in Latin America (Hofstede, 2001), the results of this study, which show that equity takes precedence over equality, appear to be consistent with the present data.

In this context of equity-based resource distribution, the findings of this study suggest that performance is the main criterion of distribution. This is also consistent with Adams’s theory (1963, 1965) which indicates that performance is one of the main criteria of equity. The study also found that responsibility acts only as a moderating variable. It is indeed observed that the variable responsibility is not involved regardless of the performance rank, either 2nd or 5th, meaning that Sebastian’s retribution did not vary significantly according to his degree of responsibility. Responsibility intervenes only in interaction with performance, although the effect size was relatively small. More precisely, severity was shown toward Sebastián (ranked 2nd) when he was not responsible for his good performance (some participants justified their decisions as follows: “He does not deserve to receive a bonus. If it was up to me, I’d fire him”), while leniency was shown when Sebastián was ranked 5th with no responsibility for his poor performance.

These findings complete literature data on distributive justice. To our knowledge, studies concerning decisions on payments based on performance had not taken into account the potential effect of responsibility. These findings have also practical implications. In individualistic cultures, centered on equity (i.e., on a contribution/reward ratio), the lack of consideration of responsibility as contributor in the obtained performance can easily lead to a sense of injustice. It may be desirable that managers take this variable more into account. Another implication may result in strategic terms: the observed interaction means that an employee is better off highlighting his/her contribution only in positive situations and rejecting any personal involvement in situations involving failure. Such behavior also suggests several avenues for future research, notably research on a form of normativity. Zuckerman (1979) defines the self-serving attribution bias, which involves presenting oneself as responsible and involved when positive events occur, and as uninvolved and not responsible when negative events occur. Weiner (1973, 1985) define the self-serving attribution bias as the tendency of actors to attribute their successes to internal factors and their failures to external factors. The authors argued that the self-serving attribution bias reflects an affective and cognitive
regulation mechanism serving to maintain self-image. Another view is that the self-serving attribution bias reflects self-presentation strategies (Zuckerman, 1979; Beauvois, 1984) enabling actors to avoid sanctions in the event of personal involvement in problems (Koubenan, 1985; Kouabenan, Gilibert, Medina, & Bouzon, 2001). Our findings seem to point toward the latter view and suggest that the self-serving attribution bias is a self-presentation strategy, thus implying a normative hypothesis. This hypothesis remains to be confirmed by testing it in the context of the auto-presentation paradigm (Jellison & Green, 1981).

Limitations

This study has some limitations. First, we only measured intentions, using fictitious scenarios to collect our data, and it is known that intentions do not necessarily correspond to actual behaviors. Second, concerning our variables, the single cause of no responsibility operationalized in this study is the stimulus, whereas, for example, McArthur (1972) showed that attribution to circumstances might involve other aspects such as personal characteristics or circumstances. Future research could investigate the influence of other forms of non responsibility on decisions regarding reward allocation. Third, as this research was exploratory, we only examined main variables, excluding potential mediator or moderator variables. Furthermore, we did not collect any demographic data. The participants were not asked to specify their age, neither their length of service, which might have also influenced the decisions made by our participants. Future studies should address the influence of employers’ characteristics on the relation between level of performance, responsibility, and rewards.

REFERENCES


