

DOES LACK OF COMMUNICATION REGARDING PAY NEGATIVELY  
AFFECT PERCEIVED JUSTICE IN THE WORKPLACE?

by

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A Thesis Submitted in Partial Fulfillment  
of the Requirements for the Degree of  
Master of Arts in Psychology

Middle Tennessee State University  
August 2018

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## ABSTRACT

The purpose of the current study was to investigate the role communication plays on perceived justice within an organization. This study utilized an experimental 3x2 between-subjects factorial design to examine the effects of informational content received at work on perceived justice regarding pay. The independent variable was the level of information provided for the pay difference (full explanation, some explanation, no explanation), and the organization's communication policy (pay secrecy system, open communication system). The dependent variable was the perceived fairness of the situation. 111 participants were recruited through Middle Tennessee State University's research pool. Results indicated that information level was significantly related to perceptions of fairness, while type of policy was not. Results also indicated that while equity and equality score did not impact perceptions of fairness, however, negative affect and positive affect score did indicate to impact perceptions of fairness.

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## **CHAPTER ONE: LITERATURE REVIEW**

### **Perceived Justice**

Perceived justice is, essentially, the perception of fairness and has received much attention in the research world. Fairness is an action that encourages selfless behavior throughout a variety of environments (Blau, 1964; Colquitt & Zipay, 2015; Shaw, Montinari, Piovesan, Olson, Gino & Norton, 2014). It can be seen throughout multiple cultures (Blau, 1964; Shaw et al., 2014), and can affect any aspect of a person's life. Fragouli and Theodoulou (2015) noted that people's behavior is driven by perception more than facts. Adler (1996) defines perception as the procedure a person uses to "select, organize, and evaluate" environmental stimuli; it is selective, learned, culturally determined, and constant (p. 3). Therefore, it is hard to change someone's perception of injustice once an opinion is already derived.

When a decision is made, people are likely to judge the fairness of it (Mayer, 2007). This perception of justice is thought to be formed based on a personal experience of an event. However, this view ignores the social aspect involved in justice. Perceived justice relies on social information and the social context (Masterson & Tong, 2015). These social contexts can appear in many ways. The individual could use a social comparison process in which he/she compares their treatment or results to another individual. The individual could also perceive justice through explanations. The individual could make justice assumptions based on information given by others (i.e., a coworker complaining to a new employee about how unfair their supervisor is). There are many ways an individual can process social information, which means there are many

ways an individual can determine the justice or injustice of a situation. (Masterson & Tong, 2015) As a result, the perception of justice can affect many aspects of a person's life, even the workplace.

### **Organizational Justice**

Perceived justice not only affects the social aspect of a person's life (Han, Janmaat, Hoskins & Green, 2012; Qin, Ren, Zhang & Johnson, 2015), but it also has considerable impact on organizations. Organizational justice refers to the perceived justice a person has experienced within or at an organization (Beugré, 1998; Cheung, 2013), and can have negative effects on both the individual as well as the organization.

Beugré (1998) discusses many factors that affect organizational justice; these include organizational change, cost-cutting changes, structural changes, role-reduction changes, leader behavior, performance appraisal, punishment, pay systems, employee selection, and organizational culture. If not properly monitored, these factors could have negative organizational consequences, such as higher turnover, and lower productivity. In addition to the factors that can affect organizational justice, Colquitt and Zipay (2015) discuss some uncertainties that employees will have when justice is compromised; these include uncertainties regarding trustworthiness, status, morality, and goal progress. Without certainties in these areas, the result can be detrimental to the organization.

### **Consequences of Injustice**

People take comfort in knowing that their situations are equitable to those around them and will seek justice by many means if injustice has been perceived. That is, if a person's input/output ratio is not equivalent to the input/output ratio of another person it



may be perceived as unjust (Clay-Warner, 2006). People are less likely to identify a situation as unfair when the outcome appears to be fair (Shaw et al., 2014; Tyler, 2000). When the outcomes dispersed are seen as unfair, negative consequences are the result. One of the worst consequences of organizational injustice is the negative effect it has on work behaviors and attitudes (Cheung, 2013; Qin et al., 2015). Clay-Warner (2006) found that negative emotions are the consequences of the lack of equitable treatment. Research across a variety of situations shows that employees who feel they are being under-rewarded are more likely to experience emotions such as distress, resentment, anger (Clay-Warner, 2006; Colquitt & Zipay, 2015; VanYperen, Hagedoorn, Zweers & Postma, 2000), and negative affect (Li, Evans, Christian, Gilliland, Kausel & Stein, 2011; VanYperen et al., 2000). These negative work behaviors and attitudes associated with organizational injustice may also affect organizational citizenship behaviors. These citizenship behaviors are behaviors an employee performs that exceeds the role of their job and are useful for an organization to survive; these behaviors may indirectly affect organizational performance (Cheung, 2013).

When employee performance decreases, employees are not only less likely to perform organizational citizenship behaviors, but are also more likely to participate in counterproductive work behaviors such as theft and sabotage (Cheung, 2013).

VanYperen et al. (2000) state that employees might even retaliate by vandalizing, stealing, or participating in one of the three main type of destructive behaviors: exit, neglect, and aggressive voice. Exit is the employee quitting. Neglect can consist of behaviors such as missing meetings, tardiness, absences due to “sickness” as well as

decreasing task effort and handling personal business at work. The final behavior, aggressive voice, is related to “protesting” the situation, and attempting to change the situation to be in favor of oneself (VanYperen et al., 2000, p. 292).

When management’s decision is perceived as unfair, job satisfaction and trust in management is decreased (Beugré, 1998; Cheung, 2013; Slan-Jerusalim & Hausdorf, 2007). When trust is compromised, whether with management or with co-workers, burnout, destructive interpersonal conflict, low productivity, and turnover have been known to increase (Au & Leung, 2016). All of these behaviors can decrease organization effectiveness (VanYperen et al., 2000). Effective organizations are known to have employees with greater commitment to organization, job performance, organizational citizenship behaviors, and work efforts. (Beugré, 1998; Clay-Warner, 2006; Richter, Schilling, Konig & Kopperman, 2016; Slan-Jerusalim & Hausdorf, 2007; VanYperen et al., 2000) Workplace aggression, actual turnover, turnover intentions, counterproductive work behaviors, withdrawal behaviors, absenteeism, and negative reactions are greater in less effective organizations. (Beugré, 1998; Slan-Jerusalim & Hausdorf, 2007)

As mentioned above, when an organization is perceived as unjust, an employee’s emotions, motivations, behaviors, and attitudes are negatively affected. When these elements are decreased, the organization’s productivity is also decreased which may contribute to the poor performance of the organization. Employees’ behaviors can support a prosperous organization or cause an organization to falter.

## **Forms of Injustice**

There are different forms of perceived injustice. The three types of injustice that researchers believe help determine whether an employee will regard a decision as fair are distributive, procedural, and interactional. Distributive justice refers to the perceived fairness of how outcomes, such as work duties and rewards, are allocated (Bazerman, White & Loewenstein., 1995; Mayer, 2007; Seppala, Lipponen & Pirttila-Backman, 2012; Slan-Jerusalim & Hausdorf, 2007; Smith & Warneken, 2016; VanYperen et al., 2000). Procedural justice refers to the perceived fairness of the process or standards that are used to make a decision regarding a specific outcome (Bazerman et al., 1995; Cheung, 2013; Clay-Warner, 2006; Mayer, 2007; Richter et al., 2016; Roberson & Stewart, 2006; Seppala, Lipponen & Pirttila-Backman, 2012; VanYperen et al., 2000). Lastly, interactional justice refers to the perceived fairness received during implementation of procedures (Cheung, 2013; Mayer, 2007; Roberson & Stewart, 2006). It should be mentioned that a fourth type has evolved in recent years. Retributive justice is described as the intention to correct injustice by using punishment and blame to reprimand those who deserve to be punished because of wrong doing (Carlsmith & Darley, 2008; Cook & Hegtvedt, 1983; Darley & Pittman, 2003; Smith & Warneken, 2016). However, the likelihood of an employee engaging in retributive justice decreases when the other three types (distributive, procedural, interactional) are controlled for.

Recently, interactional justice has been split into two categories -- interpersonal justice and informational justice. Interpersonal justice refers to the treatment and behaviors, such as respect, dignity, politeness, appropriateness, shown to the employees

(Au & Leung, 2016; Cheung, 2013; Masterson & Tong, 2015; Roberson & Stewart, 2006; Seppala, Lipponen & Pirttila-Backman, 2012). Informational justice refers to the perceived justice of sufficient and candid explanations, or explanations that are accurate, adequate, relevant, and timely when communicating decisions (Au & Leung, 2016; Beugré, 1998; Cheung, 2013; Melkonian, Soenen & Ambrose, 2016; Ro, Lamont & Ellis, 2013; Roberson & Stewart, 2006). Recent research has suggested that the two types of interactional justice are more important and relevant than distributive and procedural justice. When looking at organizational justice, though, there is not much research examining this claim (Au & Leung, 2016; Cheung, 2013).

### **Informational Justice**

People look for consistency in people and in procedures, and when consistency is not present the outcome may be perceived as unjust treatment (Beugré, 1998; Folger & Cropanzano, 1998). Increasing informational justice is a way to make up for inconsistency. Generally, it is believed that perceptions of justice are built on receiving accurate information regarding interactions, procedures, and outcomes. In actuality, it is the lack of information received, that causes informational distance and more ambiguity in the situation (Melkonian et al., 2016). If there is more ambiguity in a situation, more interpretations are possible (Qin et al., 2015). More interpretations lead to more possibilities for perceived injustice.

Increasing informational justice could improve most of the factors that affect organizational justice mentioned above (organizational change, cost-cutting changes, structural changes, role-reduction changes, leader behavior, performance appraisal,

punishment, pay systems, employee selection, and organizational culture). Li et al. (2011) states two ways the content and delivery of the content can help reduce perceived injustice. The first is that explanations allow the recipient to make sense of the undesirable situation. Second, explaining conveys a sense of importance to the recipient; he/she feels that they are respected and valued.

Although communicating within an organization is essential to the success of the organization, effective communication can be challenging (Adler, 1996). Understanding is essential to decreasing informational distance but communication does not assure the transfer of understanding (Adler, 1996). Perception plays a critical role in this transfer because it can complicate communications and lead to misinterpretations (Dumitru & Voinea, 2015). Therefore, there are some informational characteristics that one should be aware of for information to be accepted. Most importantly, the information must be accurate (Beugré, 1998; Folger & Cropanzano, 1998; Roberson & Stewart, 2006). For example, Roberson and Stewart (2006) state that when feedback is accurate, the employee will attentively focus on utilizing the feedback. This is because the intentions behind the feedback seem genuine, reliable, and fair. On the contrary, if the employee believes there are discrepancies in the accuracy of the feedback, the employee will be distracted and their performance will not change. Au and Leung (2016) and Folger and Cropanzano (1998) express the importance of open (two-way) and timely communication. When information is given at the appropriate time and is an open discussion between all involved individuals, mutual understanding and certainty of the information being implemented is often the result (Au & Leung, 2016). Feedback that is

given closer to the incident is seen to be more fair than delayed feedback, even if the feedback is negative (Beugré, 1998; Folger & Cropanzano 1998).

Past research discusses the negative effects that informational context has on employees' behaviors (Han et al., 2012; Melkonian et al., 2016; Van Den Bos, 2001) and attitudes (Han et al., 2012; Li et al., 2011; Melkonian et al., 2016). Feedback seen as accurate and credible is more likely to be accepted and will motivate desired behaviors. On the other hand, feedback seen as inaccurate or from an unreliable source will motivate undesirable behaviors (Roberson & Stewart, 2006). The less accurate the feedback is, the less useful the recipient will view it, which is less likely to lead to a change in behavior (Roberson & Stewart, 2006). That being said, inaccuracy is not the only characteristic of communication that can result in negative effects; ineffective communication can also negatively affect employees.

Communicating effective information improves trust between the presenter and his/her recipient(s) (Au & Leung, 2016; Packard, Gershoff & Wooten, 2016; Van Den Bos, 2001). Low levels of trust from employees can have negative results for the organization because the employees might think that there are alternate motives and may be less likely to change. On the other hand, an effective communicator displays expertise and competence which allows the employee to believe that the communicator's motives are true (Au & Leung, 2016). The recipient not only understands what is happening, but also feels that the presenter is knowledgeable in the matter and is more likely to complete tasks without trouble. This is also beneficial to the recipient because effective communication gives the recipient the self-confidence and ambition needed to complete

the task (VanYperen et al., 2000). When workers understand what is going on, they feel valuable and are motivated to perform in efforts to sustain their position. This is especially beneficial for portraying fair performance appraisals (Roberson & Stewart, 2006). Recipients who are allowed the opportunity to voice their opinions have also shown less resentment than employees who do not believe they have a voice (Van Den Bos, 2001). Reducing the opportunity for negative emotions has been shown to prevent future conflict escalation within the organization (Au & Leung, 2016).

In short, lack of informational justice can have a domino effect, and lead to a lack of motivation, which leads to lack of attitudinal and behavioral change. This, in turn leads to a lack of improved performance, which leads to a decrease in profit for the organization. Not only might the process not improve performance, it may even have a detrimental effect. Performance could be diminished as a result of a lack of informational justice. Although past research has shown the importance of informational justice in the workplace, most of that research has been tailored to supervisors giving feedback to their subordinates. This study will focus on communication regarding a pay difference within an organization.

### **Pay Differences**

Organizations show how much they individually value their employees by the amount of compensation given to each employee, at least that's how the employees see it (Ro et al., 2013). Pay disparity is a sensitive issue for many organizations and employees. For that reason, discussions regarding pay are often discouraged and sometimes enforced through pay secrecy policies (Colella, Paetzold, Zardkoohi & Wesson, 2007; Kim, 2015).

Pay secrecy can be defined as a pay policy, rule, or practice that restricts employees from (formally or informally) communicating information regarding their own pay or pay of other employees of the same organization (Bamberger & Belogolovsky, 2010; Kim, 2015). Pay secrecy is prevalent in many organizations. The Women's Bureau at the United States Department of Labor (2014) reported that "in 2010, nearly half of all workers nationally reported that they were either contractually forbidden or strongly discouraged from discussing their pay with their colleagues" (p. 1). Organizations with pay secrecy policies can create unnecessary problems for themselves. Pay secrecy may hide evidence of pay inequality within the organization. This was seen in the 2007 Lilly Ledbetter case versus Goodyear Tire and Rubber Company case. Employees may believe that there is injustice in the system even if an organization "is making a good faith effort" in providing the employee with equitable pay (Colella, Paetzold, Zardkoohi & Wesson, 2007, p. 57). If an employee believes that there is pay inequality present, then the employee is more likely to experience many of the negative effects mentioned previously.

Studies have shown that those who feel that they have received equitable compensation are more likely to experience many of the advantageous effects, such as higher levels of positive emotions, greater relationship commitment and self-esteem (Clay-Warner, 2006; Ro et al., 2013). Alternatively, unjustifiable discrepancies in pay are related to a decrease in employee's pay satisfaction, motivation, cooperation, and performance. (Calvasina, Calvasina & Calvasina, 2015; Colella et al., 2007; Futrell & Jenkins, 1978; Ro et al., 2013) Perceptions of unfair pay practices can also have a



negative effect on organizations. The reputation and product quality of the organization can be decreased (Ro et al., 2013), and larger discrepancies are expected to “increase political sabotage” within the organization (Ro et al., 2013, p. 363). This can consist of withholding serious information, damaging coworkers’ reputations, and other destructive behaviors that will hurt the organization. This study will focus on workplace justice in regards to communicating pay differences.

### **Affect**

Affect has generally been used to describe emotions and mood (Forgas & George, 2001). Forgas and George (2001) state that affect can “critically influence judgements, decisions, and behaviors in organizations” (p. 7). This impacts thinking in two particular ways. The process in which people deal with tasks is influenced. Also, in an ambiguous situation, the information that is recalled and used in that process is influenced by affect because affect is key to managing difficult social situations. (Forgas & George, 2001). It has an influence on the kind of information selected, attended to, recalled, and interpreted (Bower, 1981; Bower, 1991; Forgas & George, 2001; Scher & Heise, 1993). One possible reason for this is the belief that affect influences “the availability of memories, constructs, and associations that people implicitly rely on to produce a reaction” (Forgas & George, 2001, p. 8).

Numerous research studies have examined the relationship between justice and affect. Scher and Heise (1993) state that affective states can change people’s perception. Their study found that participants in negative moods are more rigorous regarding fair treatment, when compared to participants in positive moods. Forgas and George (2001)

believe that affect is a key element of organizational behaviors and most of these behaviors cannot be completely understood without accounting for affect. Although some researchers have shown that affect is essential in justice related decisions and judgements (Forgas & George, 2001, Mao, 2010; Scher & Heise, 1993), most research in the organizational setting has focused on “performance appraisal and reactions to feedback, interviews, and task perceptions and job satisfaction” (Forgas & George, 2001, p. 15) , thus more research is needed to study the relationship between affect and perceived injustice (Barsky & Kaplan, 2007; Mao, 2010) in the workplace.

First, it should be noted that a few differences have been documented regarding individual affectivity. There are positive and negative components to affect. Even though these constructs (positive affect and negative affect) are conceptually associated with one another, they are seen as separate and distinctively independent constructs (Barsky & Kaplan, 2007; Diener & Emmons 1984; Mao, 2010; Watson, Clark & Tellegen, 1988). They have been found to have different correlation patterns and impact “social judgements through separate mechanisms” (Barsky & Kaplan, 2007, p. 287). This means that because someone is low in positive affect, it is not certain that the same person is high in negative affect. Watson, Clark, and Tellegen (1988) describe positive affect as the extent someone feels lively, attentive, excited, engaged. Someone low in positive affect may experience lethargy and sadness. They describe negative affect as a measurement of biased pain and unpleasant engagement that can include a variety of aversive feelings (disgust, anger, nervousness, guilt, contempt, and fear). Someone low in negative affect could experience calmness. Studies have shown that the impact of negative affect tends to

have long term effects, and positive affect tends to have short term effects (Mao, 2010). This means that those high in negative affect tend to be stuck in that mindset for longer periods of times than those who are high in positive affect (Mao, 2010). In the organizational setting, Forgas and George (2001) state that those with moods that are positive “promote a more internally driven, top-down, and generative processing style, while negative moods facilitate a more externally oriented, bottom-up, and systematic thinking style” (p. 8). Positive moods are also associated organizational citizenship behaviors, such as “helping coworkers, protecting the organization, making constructive suggestions, engaging in self-development activities, and spreading goodwill” (p. 15), whereas negative moods are associated with withdrawal behaviors, such as, turnover and absenteeism (Forgas & George, 2001)

Obviously, some of these feelings come and go based on a specific situation. This leads to the next affective difference: state affect and trait affect. State affect refers to a current feeling that is subject to change across situations. Trait affect refers to the long-term feelings that individuals experience across various situations. (Barsky & Kaplan, 2007; Mao 2010) As mentioned above, positive affect is the extent someone feels lively, attentive, excited, engaged (Watson, Clark & Tellegen, 1988). Trait positive affect would be the tendency a person has to experience the feelings consistently across an extended period of time. Conversely, just as negative affect is the extent that some one feels those aversive feelings, trait negative affect would be the tendency a person has to experience those feelings consistently across time. (Barsky & Kaplan, 2007) Moreover, past research shows that people with negative affective states perceive lower distributive, procedural,

and both forms of interactional justice (interpersonal and informational) when compared to positive affective states (Mao, 2010).

Due to the consistency of individuals' affective traits across situations, Barsky and Kaplan (2007) state that affective traits should have more impact on justice perceptions than affective states. Affective traits are seen to be constant and not easily changed, especially amongst various situations. Therefore, those high in positive affect trait will experience those positive emotions consistently, when compared to those low in positive affective trait. While those high in negative affective trait will consistently experience negative feelings and are more irritable, when compared to those low in negative affective trait. (Mao, 2010) For these reasons this study will focus on trait affectivity.

### **Distributive Justice Values**

As discussed earlier, distribution, or allocation, plays a large role in how people perceive fairness. Marin (1981) discusses what Leventhal calls "Allocation norms" and defines it as "social rules which characterize certain distributions of rewards and resources as just and fair" (Marin, 1981, p. 153). Deutsch's (1975) found that there are many factors that could be involved during the allocation process; these can be addressed as distributive justice values. Some of the values or factors that his research found include distributing based on ability, accomplishments, discrimination, equality, equity, favoritism, and need. While these are not all of the values mentioned, of those mentioned three of the most common ways of allocating fairness are equity, equality, and need (Deutsch, 1975; Giacobbello-Miller, Miller & Zhang, 1997; Kim & Harmon 2014; Wagstaff,

Huggins & Perfect, 1993). Research has shown that these three “play an important role in determining perceptions of distributive justice” (Kim & Harmon, 2014, p. 333).

### **Equity, Equality, and Need**

Equity is the concept of distributing resources or rewards to all those involved based on their individual contributions (Brickman & Bryan, 1976; Giacobbe-Miller, Miller & Zhang, 1997; Kim & Harmon 2014; Marin, 1981; Shapiro, 1975; Wagstaff, Huggins & Perfect, 1993). Research has shown that equity based decisions will mainly occur where high levels of task performance and motivation are wished to be sustained (Marin, 1981) in competitive situations (Sampson, 1975; Wagstaff, Huggins & Perfect, 1993) and productivity is the goal (Cook & Hegtvedt, 1983; Giacobbe-Miller, Miller & Zhang, 1997; Kabanoff, 1991; Wagstaff, Huggins & Perfect, 1993). Giacobbe-Miller, Miller & Zhang (1997) and Sampson (1975) also stated that cultures high in individualism prefer equity based decisions.

Equality is the concept of distributing resources or rewards to all those involved equally, independently of any other factors (Brickman & Bryan, 1976; Giacobbe-Miller, Miller & Zhang, 1997; Kim & Harmon 2014; Marin, 1981). Research has shown that equality based decisions will mainly occur when harmony (Cook & Hegtvedt, 1983; Giacobbe-Miller, Miller & Zhang, 1997; Marin, 1981; Wagstaff, Huggins & Perfect, 1993) and unity among group members (Marin, 1981) is the goal and in situations where cooperation is needed (Sampson, 1975; Wagstaff, Huggins & Perfect, 1993). Giacobbe-Miller, Miller & Zhang (1997) and Sampson (1975) stated that cultures high in collectivism prefer equality based decisions.

Need is the concept of distributing resources or rewards based on individual needs (Giacobbe-Miller, Miller & Zhang, 1997; Kim & Harmon 2014; Wagstaff, Huggins & Perfect, 1993) Wagstaff, Huggins & Perfect (1993). Research has found that need based decisions will mainly occur when the well being and welfare of the individual is the goal (Cook & Hegtvedt, 1983; Giacobbe-Miller, Miller & Zhang, 1997; Wagstaff, Huggins & Perfect, 1993), individual needs are perceived to be linked to the success of the group (Cook & Hegtvedt, 1983), and “in situations in which intimacy is stressed” (Wagstaff, Huggins & Perfect, 1993, p. 439).

While all three are seen as common, distinguished forms of allocating fairness, research has shown that individual variables can determine which distributive justice value an individual prefers (Cook & Hegtvedt, 1983; Marin, 1981; Sampson, 1975). Some of these include culture (Adams, 1963; Marin, 1981; Sampson, 1975), personality (Cook & Hegtvedt, 1983), political ideology (Adams, 1963; Marin, 1981; Sampson, 1975), economic-social class (Adams, 1963; Marin, 1981; Sampson, 1975), sex (Sampson, 1975), cognitive mediating factors (Cook & Hegtvedt, 1983), socio-economic development (Marin, 1981), characteristics of the group members’ relationships (Cook & Hegtvedt, 1983), desired outcomes of the individuals (Sampson, 1975), and differences in resources/rewards allocated (Shapiro, 1975). These differences can be seen in past research studies. Liu (2009) found that of “400 Chinese undergraduate students,” equality based decisions were rated more satisfactory, followed by need based decisions, and ending with equity based decisions (p. 1370). While Wagstaff, Huggins & Perfect (1993) found that of 76 British students “equality was judged to be the least fair or just division

of the costs” and equity was “judged to be the least conflict inducing divisions” when comparing all three (p. 441). This is the opposite of what Liu found. To further show differences, Giacobbe-Miller, Miller & Zhang (1997) found that there were differences amongst US and Chinese managers, where US managers preferred equity based decisions and Chinese managers preferred equality based decisions. While need based decisions were still meaningful to Chinese managers, they were less meaningful to US managers. Shapiro (1975) attributes different distributive justice value preferences to the different situational and environmental factors between the studies. While Wagstaff, Huggins & Perfect (1993) and some other researchers attribute them to cultural differences. Nevertheless, it can be seen that allocation of resources and/or rewards will change based on the circumstances of the situation (Deutsch’s, 1975). Past research has shown that it is possible for an individual to agree with more than one of the forms depending on the situation (Giacobbe-Miller, Miller & Zhang, 1997; Kabanoff, 1991). Although this is true, there are some minimal conditions that can determine the fairness of the situation but determining those conditions can be tricky (Deutsch, 1975). Some researchers suggest that determining the fairness of the situation may not be as simple as comparing inputs and outputs, and that factors that are not related to distributive justice could possibly be at play (Deutsch, 1975; Kabanoff, 1991).

### **The Current Study**

As research has demonstrated informational justice is a very important factor when attempting to encourage an employee to reach and exceed performance goals (Han et al., 2012; Li et al., 2011; Melkonian et al., 2016; Van Den Bos, 2001). There are many

lesser known benefits an organization can receive when achieving maximum organizational justice, such as increased job satisfaction, work performance, trust of organization, organization commitment, work effort, and motivation (Beugré, 1998; Clay-Warner, 2006; Li et al., 2011; Richter et al., 2016; Slan-Jerusalim & Hausdorf, 2007). Turnover intentions, actual turnovers, absenteeism, and emotional exhaustion are decreased when organizational justice is increased (Beugré, 1998; Slan-Jerusalim & Hausdorf, 2007); whereas improved emotions, self-esteem, attitudes and behaviors (organizational citizenship behaviors included) are all improved with the presence of organizational justice (Beugré, 1998; Han et al., 2012; Li et al., 2011; Melkonian et al., 2016; Slan-Jerusalim & Hausdorf, 2007; Van Den Bos, 2001; VanYperen et al., 2000). As a result of the various beneficial factors that informational justice may bring, this study looks to determine the causal effect informational justice has on pay disparities.

This is an excerpt from Bazerman et al.'s (1995) article "Perceptions of Fairness in Interpersonal and Individual Choice Situations."

You are graduating with a Ph.D. from a good psychology program. After a few interviews, a university that you are very interested in makes you an offer of an assistant professorship at \$40,000 a year. The offer is not negotiable. You like the people. You like the job. You like the location. However, right before you are about to accept the offer, you find out that the same university is offering another new assistant professor \$42,000. You do not see any characteristics that make the other individual more qualified than you. Will you still accept the offer? (p. 39).

In this scenario, the organization fails to communicate compensation information and thus risks losing out on a new excited employee who could have been profitable to the organization. This is just one example of how conveying more information can be beneficial to an organization. As mentioned above, employees believe organizations



show how much they individually value their employees by the amount of compensation given to each employee (Ro et al., 2013). Although there is not much research on the effect that perceived justice of pay has on the company, pay inequality is such a major concern.

Employees will be satisfied when their pay is equitable with other employees. Otherwise, employees will be motivated to change their behavior to make the pay equitable (Ro et al., 2013). This makes it harder to accomplish justice, or perceived justice, throughout the organization. When taking the organization's pay policy into account, perceived justice can be affected more significantly. The two policies of focus in the current study are pay secrecy policy (a work policy or procedure in which the employees are prohibited from discussing the amount of money they get paid with other employees) and open communication policy (a work policy or procedure in which the employees are allowed to openly and freely discuss, with other coworkers, the amount of money they get paid at work) (Dreisbach, 2014).

With all the negative effects employees and organizations can experience with the presence or perceived presence of inequality, the current study looks to study the effects of informational justice regarding pay has on the organization. The study will determine if increasing communication concerning pay discrepancies will increase perceived justice associated with pay and the organization. This leads us to the hypotheses and research question.

Hypothesis 1: The greater the amount of information provided regarding the pay difference, the greater perception of fairness.

Hypothesis 2: When compared to pay transparency policies, pay secrecy policies will seem more unfair.

Hypothesis 3: Those that score high in equity will perceive the pay difference as fair when full information is given.

Hypothesis 4: Those that score high in equality will perceive the pay difference as unfair.

Research Question: Will negative affect and/or positive affect impact perceptions of pay fairness when the amount of information regarding the difference varies?

## **CHAPTER TWO: METHODS**

### **Participants**

Participants of this study were 145 students in psychology courses from Middle Tennessee State University in Murfreesboro, Tennessee. Thirty-four participants were excluded from this sample (four were below the age of 18, four did not give consent, thirteen skipped through the measure without answering any questions, and thirteen finished the measure in under three minutes). This resulted into a participant total of 111 (53 females, 51 males, 7 did not answer). This sample included 51% Caucasians, 21% Black/African Americans, 7% Hispanic, 5% Biracial/Multiracial, 3% Asians, 1% other, and 5% preferred not to specify. The majority of the participants were under 21 (67%) and were either freshmen or sophomores (69%). Lastly, 4% participants have never had a job, 13% have had one job, 65% have had two to four jobs, 12% have had five to ten jobs, and 1% had more than ten jobs.

### **Materials**

#### **The six scenarios.**

A survey instrument asked participants to read various scenarios regarding a pay difference between two coworkers and asked the participant to deem the specific scenario as unfair or fair. The scenario described two coworkers discussing their end of the year bonus and during the discussion it is found out that one coworker's bonus was much larger than the other's. The scenarios differed by the amount of information provided: full explanation is given, some information given, or no explanation is given. The surveys also differed by the organization's communication policy: pay secrecy policy, or open

communication policy. For research purposes, a pay secrecy policy is defined as a work policy or procedure in which the employees are prohibited from discussing the amount of money they get paid with other employees (Dreisbach, 2014). Whereas an open communication policy is defined as a work policy or procedure in which the employees are allowed to openly and freely discuss, with other coworkers, the amount of money they get paid at work. The policies derived from Stone Trust Insurance's (2008) "Sample Employee Handbook", Washington University in St. Louis's (2016) "Employee Handbook", and Texas Workforce Commission's (n.d.) "Salary and Benefit Discussions Among Employees" and were adapted to fit the situations (Appendix B).

#### **Fairness measure.**

The survey included 16 items to assess fairness. Some items derived from Brown, Bemmels, and Barclay's (2010) "The Importance of Policy in Perceptions of Organizational Justice", and Colquitt & Rodell's (2015) "Measuring Justice and Fairness" and were adapted to fit the situations (Appendix B and C). Originally, Colquitt & Rodell's (2015) questions were created to focus on supervisory justice, while Brown, Bemmels, and Barclay's (2010) questions are more general justice questions, however as mentioned above, the questions have been tailored from supervisors giving feedback to their subordinates to informational justice throughout the entire organization.

#### **Positive and negative affect scale.**

The Positive Affect and Negative Affect Scale (PANAS) was also used in this study. This scale measures positive and negative affectivity. It can be used to determine state and trait affect but for this study it was used to determine the trait affect of the

participants. This scale is a 20-item scale that assesses mood. Ten items assess positive affect and the other ten items assess negative affect. The scale was developed by Watson, Clark, and Tellegen (1988). The scale tests positive affect and negative affect separately and at different time periods (momentarily, today, past few days, past week, past few weeks, yearly, generally) (Watson, Clark & Tellegen, 1988) This study measured affect at the general level-- how the participants generally feel. Watson, Clark, and Tellegen (1988) found that the test-retest correlation reliability obtained for positive affect was  $r = .68$ . Research showed that the test-retest correlation reliability obtained for negative affect was  $r = .71$ . Research showed that the internal consistency reliability obtained for positive affect was  $r = .88$ . Research showed that the internal consistency reliability obtained for negative affect was  $r = .87$ . Research showed that the inter-correlation between positive affect and negative affect was  $r = -.17$ . (Appendix D)

### **Equity, equality, and need.**

An Equity, Equality and Need Value Scale was the last measure used in this study. This scale measured the extent to which an individual considers equity, equality, or need to be more important than the others. This scale was developed by Dr. Judith Van Hein (Henderson, 1996), but has not been published. There were two separate sections that help determine this principle. The first section was comprised of 13 group of statements, and each group of statements had three statements. The three statements were comprised of an equity, equality, and need statement. The participants were asked to select the statement that they agree with the most (Appendix E). The second section was comprised of 39 statements. Each of the statement is either a statement that encourages

equity, equality, or need. These statements were identical to those in the first section, however, the participants were asked to rate their agreeance with the statement (1- strongly disagree, 2- disagree, 3- neutral/neither agree nor disagree, 4- agree, 5- strongly agree; Appendix F).

### **Design and procedure.**

This study utilized an experimental 3x2 between-subjects factorial design to examine the effects of informational content received at work on perceived justice regarding pay. The independent variables were the level of information provided (full explanation, some explanation, no explanation), and the organization's communication policy (pay secrecy system, open system). Due to random assignment the 6 scenarios differed on the amount of participants within each (Table 1). The dependent variable was the perceived fairness of the situation. There were two measures to assess perceived fairness. The first assessed the perceived fairness of the bonus difference and the second assessed the perceived fairness of the overall situation. Negative affect and positive affect as well as Equity and Equality Values were potential covariates.

Table 1  
*Number of Participants Per Condition*

Independent Variables		
Information Given	Org.'s Policy	<i>n</i>
Full explanation	Pay secrecy system	18
	Open comm. system	19
Some explanation	Pay secrecy system	16
	Open comm. system	18
No explanation	Pay secrecy system	20
	Open comm. system	20

There were two differences in the six scenarios. The first difference is the type of communication policy (pay secrecy or open communication system). The second difference in the scenarios was the level of explanation: full explanation for the pay difference, some explanation for the pay difference, or no explanation for the pay difference.

To begin our research, the participants were given a Qualtrics link that contained all the measures. Participants were reminded that they are participating in a study on pay injustice in the workplace. Prior to participating in the study, an electronic informed consent was obtained from each participant. Each person's Qualtrics link included one of six hypothetical situations in which he/she was notified of an organization's pay policy and a pay difference between two coworkers.. The participants were randomly assigned to one of the six scenarios and asked to determine if the situation was unfair or fair. There were two questions that directly address the participants perceived fairness of the pay discrepancy (how fair is the bonus difference and how fair is the overall situation of the pay difference). Please see the second and third questions of Appendix B. They assessed perceived fairness utilizing a 7-point Likert rating scale (1-completely unfair, 2- unfair, 3- somewhat unfair, 4-neither fair/unfair, 5- somewhat fair, 6- fair, 7- completely fair). Please see Appendix B and C to see exact situations and questions for each situation.

Next, the participants were asked to fill out the Positive and Negative Affect scale

(PANAS; Appendix D), the Equity, Equality, and Need scale (see Appendix E and Appendix F), and a demographic information form (Appendix G). The average completion time for the survey, the PANAS, the Equity, Equality, and Need scale, and the demographic form was 64 minutes. It should be mentioned that participants had the ability to complete the measures in multiple sittings, so the average time expressed will be higher because it reflects those times.

All procedures were approved by Middle Tennessee State University's Institutional Review Board before collecting data (Appendix A).



### CHAPTER THREE: RESULTS

Two dependent variables were evaluated to measure the participants perception of fairness. The first was the fairness of the bonus difference, and the second was the fairness of the overall pay difference. The items could not be combined because they assessed two unique aspects. One fairness item focused specifically on the perceived fairness of the bonus difference, whereas the other focused on a more general look at the entire bonus difference situation, which includes the organization's policy, as well.

Descriptive statistics of the variables used in this study can be found in Table 2.

Correlations of those variables can be found in Table 3.

Table 2

*Descriptive Statistics for Fairness items, Equity, Equality, Positive and Negative Affect Scores*

Variable	<i>n</i>	<i>M</i>	<i>SD</i>	Range	
				Min.	Max.
Bonus Fairness	106	4.03	1.70	1	7
Overall Fairness	106	4.05	1.72	1	7
Equity	111	4.68	2.68	0	13
Equality	111	4.86	2.73	0	13
Neg. Affect Score	105	21.31	7.52	10	50
Pos. Affect Score	106	32.03	8.32	10	50

Table 3  
*Pearson Correlations between Fairness items, Equity, Equality, Positive and Negative Affect Scores*

Variable	1	2	3	4	5	6	7	8
1. Bonus Fairness	– <sup>a</sup>							
2. Overall Fairness	.75*** <sup>a</sup>	– <sup>a</sup>						
3. Information Level	.27** <sup>a</sup>	.17 <sup>a</sup>	– <sup>b</sup>					
4. Policy Type	.12 <sup>a</sup>	.12 <sup>a</sup>	.01 <sup>b</sup>	– <sup>b</sup>				
5. Equity	–.14 <sup>a</sup>	–.17 <sup>a</sup>	.12 <sup>b</sup>	.00 <sup>b</sup>	– <sup>b</sup>			
6. Equality	.21* <sup>a</sup>	.26** <sup>a</sup>	–.02 <sup>b</sup>	.03 <sup>b</sup>	–.57** <sup>b</sup>	– <sup>b</sup>		
7. Neg. Affect Score	–.28** <sup>c</sup>	–.22* <sup>c</sup>	–.05 <sup>c</sup>	.03 <sup>c</sup>	–.10 <sup>c</sup>	.09 <sup>c</sup>	– <sup>c</sup>	
8. Pos. Affect Score	.26** <sup>a</sup>	.28** <sup>a</sup>	.05 <sup>a</sup>	–.02 <sup>a</sup>	–.26** <sup>a</sup>	.25* <sup>a</sup>	.09 <sup>c</sup>	– <sup>a</sup>

<sup>a</sup>  $N = 106$ . <sup>b</sup>  $N = 111$ . <sup>c</sup>  $N = 105$ .

\*\*. Correlation is significant at the 0.01 level (2-tailed).

\*. Correlation is significant at the 0.05 level (2-tailed).

## Hypotheses 1 and 2

Two separate perception of fairness items were used as dependent variables: perceived bonus fairness and perception of overall fairness. A familywise alpha of .05 was used for all analyses. The sample size were unequal so the SPSS mixed procedure was used to conduct the 2x3 ANOVAs without the assumption of equal population variances. Level of information (none, some, full) and policy type (pay secrecy, open

communication) were used to predict differences levels of fairness, specifically the perceptions of bonus fairness.

### **Perceptions of bonus difference fairness.**

Descriptive statistics for the level of perceptions of the first dependent variable, bonus fairness, based on Policy and Information level are contained in Table 4. The 2x3 ANOVA indicated there was not a significant interaction between information level and policy,  $F(2,100) = 0.89, p = .411, \omega^2 = 0.00$ . The main effect for policy type was not significant,  $F(1,100) = 1.72, p = .192, \omega^2 = 0.00$ . Information level, however, was a predictor of fairness (perceptions of bonus fairness),  $F(2,100) = 7.69, p = .001, \omega^2 = 0.02$ . Full information was significantly higher than some information and no information (Table 5). The ratings of Fairness were lowest in the some information condition. These results did support hypothesis 1 which stated, the greater the amount of information provided regarding the pay difference, the greater perception of fairness. These results did not support hypothesis 2 because there was no difference in perceived fairness based on organizational policy.

Table 4  
*Means and Standard Deviations for Perceptions of Bonus Fairness Based on Policy and Information Level*

Policy		M	SD	n
Secrecy	None	3.56	1.58	18
	Some	2.94	1.00	16
	Full	4.89	1.88	18
	Total	3.83	1.72	52
Open	None	3.95	1.72	19
	Some	3.88	1.59	16
	Full	4.79	1.65	19
	Total	4.22	1.68	54
Total	None	3.76	1.64	37
	Some	3.41	1.39	32
	Full	4.84	1.74	37
	Total	4.03	1.70	106

Table 5  
*Tukey HSD Comparisons of Perceptions of Bonus Fairness in Relations to Information Level*

(I)	(J)	Mean Difference (I-J)	95% Confidence Interval for Difference	
			Lower Bound	Upper Bound
None	Some	.35	-.42	1.11
	Full	-1.08*	-1.83	-.35
Some	None	-.35	-1.11	.42
	Full	-1.43*	-2.20	-.67
Full	None	1.08*	.35	1.83
	Some	1.43*	.67	2.20

\*. The mean difference is significant at the .05 level.

### **Perceptions of overall pay difference fairness.**

Descriptive statistics for the level of perceptions of the second dependent variable, overall pay difference fairness, based on Policy and Information level are contained in Table 6. Level of information (none, some, full) and policy type (pay secrecy, open communication) were used to predict differences levels of fairness, specifically the perceptions of bonus fairness. The 2x3 ANOVA indicated there was not a significant interaction between information level and policy,  $F(2,100) = 0.28, p = .760, \omega^2 = 0.00$ . The main effect for policy type was not significant,  $F(1,100) = 1.40, p = .240, \omega^2 = 0.00$ . Information level was a predictor of fairness (perceptions of overall pay difference fairness),  $F(2,100) = 3.25, p = .043, \omega^2 = 0.01$ , full information was significantly higher than some information, but not significantly different than no explanation (Table 7). Some information again had the lowest ratings. These results did support hypothesis 1 which stated, the greater the amount of information provided regarding the pay difference, the greater perception of fairness. These results did not support hypothesis 2 because there was no difference in perceived fairness based on organizational policy.

Table 6  
*Means and Standard Deviations for Overall Perceptions of Pay Difference Fairness Based on Policy and Information Level*

Policy		<i>M</i>	<i>SD</i>	<i>n</i>
Secrecy	None	3.56	1.42	18
	Some	3.37	1.63	16
	Full	4.56	1.89	18
	Total	3.85	1.71	52
Open	None	4.21	1.69	19
	Some	3.81	1.83	16
	Full	4.63	1.67	19
	Total	4.24	1.73	54
Total	None	3.89	1.58	37
	Some	3.59	1.72	32
	Full	4.59	1.76	37
	Total	4.05	1.72	106

Table 7  
*Tukey HSD Comparisons of Perceptions of Overall Fairness in Relations to Information Level*

(I)	(J)	Mean Difference (I-J)	95% Confidence Interval for Difference	
			Lower Bound	Upper Bound
None	Some	.30	-.67	1.27
	Full	-.70	-1.64	.23
Some	None	-.30	-1.27	.67
	Full	-1.00*	-1.97	-.03
Full	None	.70	-.23	1.64
	Some	1.00*	.03	1.97

\*. The mean difference is significant at the .05 level.

### Hypothesis 3: Equity and Pay Fairness

#### Equity and bonus fairness.

Table 8 contains descriptive statistics for equity and fairness, specifically the fairness of the bonus difference. A one-way ANCOVA indicated that the fairness of the bonus difference differed by information level,  $F(2,102) = 7.85$ ,  $MSE = 2.54$ ,  $p = .001$ ,  $\omega^2 = 0.02$ . Pairwise comparisons on the adjusted means found that the fairness of the bonus difference was higher for full information than for some information and none information when controlling for equity (Table 9). The ANCOVA also indicated that the covariate Equity was not significant,  $F(1,102) = 2.57$ ,  $MSE = 2.54$ ,  $p = .112$ ,  $\omega^2 = 0.00$ . However, because the information level remained significant, this indicates that the covariate (equity) did not have an impact on the relationship between information level and the fairness of the bonus difference, which did not support hypothesis 3 because there was no difference in perceived fairness based on equity score.

Table 8  
*Descriptive Statistics for Equity and Fairness of the Bonus Difference*

Variable		None	Some	Full
Fairness	<i>M</i>	3.76	3.41	4.84
	<i>SD</i>	1.64	1.39	1.74
	<i>N</i>	37	32	37
	<i>Adj M*</i>	3.73	3.45	4.85
	<i>Std. Error</i>	0.26	0.28	0.26
Equity	<i>M</i>	4.25	4.82	5.03
	<i>SD</i>	2.48	2.63	2.92
	<i>N</i>	40	34	37

\* Fairness of the Bonus Difference adjusted for Equity

Table 9  
*Pairwise Comparisons on Equity, Adjusted for Fairness of the Bonus Difference*

(I)	(J)	Mean Difference (I-J)	95% Confidence Interval for Difference	
			Lower Bound	Upper Bound
None	Some	.30	-.47	1.06
	Full	-1.13*	-1.87	-.39
Some	None	-.30	-1.06	.47
	Full	-1.42*	-2.19	-.66
Full	None	1.13*	.39	1.87
	Some	1.42*	.66	2.19

\*. The mean difference is significant at the .05 level.

### **Equity and overall fairness.**

Table 10 contains descriptive statistics for equity and fairness, specifically the fairness of the overall pay difference. A one-way ANCOVA indicated that the overall fairness differed by information level,  $F(2,102) = 3.41$ ,  $MSE = 2.77$ ,  $p = .037$ ,  $\omega^2 = 0.01$ . Pairwise comparisons on the adjusted means found that the overall fairness was higher for full information than for some information but not no information when controlling for Equity (Table 11). The one-way ANCOVA also indicated that the covariate Equity was not significant,  $F(1,102) = 3.41$ ,  $MSE = 2.77$ ,  $p = .068$ ,  $\omega^2 = 0.00$ . However, because the information level remained significant, this indicates that the covariate (equity) did not have an impact on the relationship between information level and the overall fairness, which did not support hypothesis 3 because there was no difference in perceived fairness based on equity score.



Table 10

*Descriptive Statistics for Equity and Fairness of the Overall Pay Difference*

Variable		None	Some	Full
Fairness	<i>M</i>	3.89	3.59	4.59
	<i>SD</i>	1.58	1.72	1.76
	<i>N</i>	37	32	37
	<i>Adj M*</i>	3.86	3.62	4.61
	<i>Std. Error</i>	0.27	0.30	0.27
Equity	<i>M</i>	4.25	4.82	5.03
	<i>SD</i>	2.48	2.63	2.92
	<i>N</i>	40	34	37

\* Overall Fairness adjusted for Equity

Table 11

*Pairwise Comparisons on Equity, Adjusted for Fairness of the Overall Pay Difference*

(I)	(J)	Mean Difference (I-J)	95% Confidence Interval for Difference	
			Lower Bound	Upper Bound
None	Some	.23	-.58	1.03
	Full	-.76	-1.54	.01
Some	None	-.23	-1.03	.58
	Full	-.99*	-1.79	-.19
Full	None	.76	-.01	1.54
	Some	.99*	.19	1.79

\*. The mean difference is significant at the .05 level.

Correlational analyses were used to examine the relationship between the equity score and the information level. The relationship was not statistically significant at the .05 significance level. Spearman Correlations showed a coefficient of .097 ( $N = 111$ ). Results indicated that there was not a relationship between the equity score and the

information level. This suggests that the equity score is not significantly related to the information level.

### **Equity and full information.**

Furthermore, correlational analyses were used to examine the relationship between the equity score and the two fairness items in the condition where full information was given. Results indicated that there was not a relationship between the equity score and either of the fairness items. This suggests that equity is not significantly related to perceptions of fairness in the event that full information is given, which did not support hypothesis 3 because there was no difference in perceived fairness based on equity score (Table 12).

Table 12

*Pearson Correlations of Equity and Perceptions of Fairness When Full Information is Given*

Variable		1	2	3
1. Perceived fairness of the overall situation of the pay difference	Pearson Correlation	-		
2. Perceived fairness of the bonus difference	Pearson Correlation	.86**	-	
3. Equity	Pearson Correlation	-.15	-.07	-

\*\* . Correlation is significant at the 0.01 level (2-tailed)

*N* = 37

#### Hypothesis 4: Equality and Fairness Perceptions

##### Equality and bonus fairness.

Table 13 contains descriptive statistics for equality and fairness, specifically the fairness of the bonus difference. A one-way ANCOVA indicated that the fairness of the bonus difference differed by information level,  $F(2,102) = 8.58$ ,  $MSE = 2.44$ ,  $p < .001$ ,  $\omega^2 = 0.02$ . The one-way ANCOVA also indicated that the covariate Equality was significant,  $F(1,102) = 6.78$ ,  $MSE = 2.44$ ,  $p = .011$ ,  $\omega^2 = 0.01$ . However, because the information level remained significant, this indicates that the covariate (Equality) did not have an impact on the relationship between information level and the fairness of the bonus difference, which did not support hypothesis 4 because there was no difference in perceived fairness based on equality score. Pairwise comparisons on the adjusted means found that the fairness of the bonus difference was higher for full information than for some information and none information when controlling for equality (Table 14).

Table 13  
*Descriptive Statistics for Equality and Fairness of the Bonus Difference*

Variable		None	Some	Full
Fairness	<i>M</i>	3.76	3.41	4.84
	<i>SD</i>	1.64	1.39	1.74
	<i>N</i>	37	32	37
	<i>Adj M*</i>	3.71	3.42	4.87
	<i>Std. Error</i>	0.26	0.28	0.26
Equality	<i>M</i>	5.00	4.71	4.86
	<i>SD</i>	2.75	2.83	2.68
	<i>N</i>	40	34	37

\* Fairness of the Bonus Difference adjusted for Equality

Table 14

*Pairwise Comparisons on Equality, Adjusted for Fairness of the Bonus Difference*

(I)	(J)	Mean Difference (I-J)	95% Confidence Interval for Difference	
			Lower Bound	Upper Bound
None	Some	.28	-.46	1.03
	Full	-1.17*	-1.89	-.45
Some	None	-.28	-1.03	.46
	Full	-1.45*	-2.20	-.71
Full	None	1.17*	.45	1.89
	Some	1.45*	.71	2.20

\*. The mean difference is significant at the .05 level.

**Equality and overall fairness.**

Table 15 contains descriptive statistics for equality and fairness, specifically the fairness of the overall pay difference. A familywise alpha of .05 was used for all analyses. A one-way ANCOVA indicated that the overall fairness differed by information level,  $F(2,102) = 3.88$ ,  $MSE = 2.64$ ,  $p = .024$ ,  $\omega^2 = 0.01$ . Pairwise comparisons on the adjusted means found that the overall fairness was higher for full information than for some information and none information when controlling for equality (Table 16). The one-way ANCOVA also indicated that the covariate Equality was significant,  $F(1,102) = 8.52$ ,  $MSE = 2.64$ ,  $p = .004$ ,  $\omega^2 = 0.01$ . However, because the information level remained significant, this indicates that the covariate (Equality) did not have an impact on the relationship between information level and the overall fairness, which did not support hypothesis 4 because there was no difference in perceived fairness based on equality score.

Table 15

*Descriptive Statistics for Equality and Fairness of the Overall Pay Difference*

Variable		None	Some	Full
Fairness	<i>M</i>	3.89	3.59	4.59
	<i>SD</i>	1.58	1.72	1.76
	<i>N</i>	37	32	37
	<i>Adj M*</i>	3.84	3.61	4.64
	<i>Std. Error</i>	0.27	0.29	0.27
Equality	<i>M</i>	5.00	4.71	4.86
	<i>SD</i>	2.75	2.83	2.68
	<i>N</i>	40	34	37

\* Overall Fairness adjusted for Equality

Table 16

*Pairwise Comparisons on Equality, Adjusted for Fairness of the Overall Pay Difference*

(I)	(J)	Mean Difference (I-J)	95% Confidence Interval for Difference	
			Lower Bound	Upper Bound
None	Some	.22	-.57	1.01
	Full	-.80*	-1.56	-.05
Some	None	-.22	-1.01	.57
	Full	-1.02*	-1.81	-.24
Full	None	.80*	.05	1.56
	Some	1.02*	.24	1.81

\*. The mean difference is significant at the .05 level.

Correlational analyses were used to examine the relationship between the equality score and the information level. The relationship was not statistically significant at the .05 significance level. Spearman Correlations showed a coefficient of -.030 ( $N = 111$ ). Results indicated that there was not a relationship between the equality score and the

information level. This suggests that the equality score is not significantly related to the information level.

Correlational analyses were used to examine the relationship between the equality score and the two measures of fairness. Results indicated that there is a significant relationship between the equality score and the overall situation fairness measure,  $r(104) = .26, p = .008$ , and the fairness of the bonus,  $r(104) = .21, p = .027$ . This suggests that as equality score increases, then perception of fairness of the overall situation of the pay difference and the bonus difference also increases, which did not support hypothesis 4 because equality was positively rated to fairness across all conditions (Table 17).

Table 17

*Pearson Correlations for Equality by Perceptions of Fairness*

Variable	1	2	3
1. Perceived fairness of the overall situation of the pay difference	– <sup>a</sup>		
2. Perceived fairness of the bonus difference	.75** <sup>a</sup>	– <sup>a</sup>	
3. Equality	.26** <sup>a</sup>	.21** <sup>a</sup>	– <sup>b</sup>

<sup>a</sup>  $N = 106$ . <sup>b</sup>  $N = 111$ .

\*\*. Correlation is significant at the 0.01 level (2-tailed)

## **Research Question: Negative Affect and Positive Affect and Perceptions of Pay Fairness**

### **Perceptions of bonus difference fairness negative affect.**

Table 18 contains descriptive statistics for negative affect score (NAS) and the fairness of the bonus difference. A 2x3 ANCOVA indicated there was not a significant interaction between information level and policy type,  $F(2,98) = 0.38, p = .684, \omega^2 = 0.00$ . The main effect for policy type was not significant,  $F(1,98) = 1.99, p = .162, \omega^2 = 0.00$ . The main effect for information level was significant,  $F(2,98) = 6.42, MSE = 2.48, p = .002, \omega^2 = 0.01$ . Pairwise comparisons on the adjusted means found that the fairness of the bonus difference was higher for full information than for some information and none information when controlling for NAS (Table 19). The 2x3 ANCOVA also indicated that the covariate NAS was significant,  $F(1,98) = 5.64, MSE = 2.48, p = .020, \omega^2 = 0.01$ . However, because the information level remained significant (when the covariate was not present), this indicates that the covariate (NAS) did not have an impact on the relationship between information level and the fairness of the bonus difference. The covariate also did not impact the significance of the policy type or interaction.

Table 18

*Descriptive Statistics for NAS and Fairness of the Bonus Difference*

Variable		None	Some	Full
Fairness	<i>M</i>	3.75	3.41	4.84
	<i>SD</i>	1.66	1.39	1.74
	<i>N</i>	36	32	37
	<i>Adj M*</i>	3.72	3.51	4.77
	<i>Std. Error</i>	0.26	0.28	0.26
NAS	<i>M</i>	20.86	23.31	20.03
	<i>SD</i>	7.60	7.00	7.72
	<i>N</i>	36	32	37

\* Fairness of the Bonus Difference adjusted for NAS

Table 19

*Pairwise Comparisons on NAS, Adjusted for Fairness of the Bonus Difference*

(I)	(J)	Mean Difference (I-J)	95% Confidence Interval for Difference	
			Lower Bound	Upper Bound
None	Some	.21	-.56	.98
	Full	-1.06*	-1.79	-.32
Some	None	-.21	-.98	.56
	Full	-1.26*	-2.03	-.50
Full	None	1.06*	.32	1.79
	Some	1.26*	.50	2.03

\*. The mean difference is significant at the .05 level.

### Perceptions of bonus difference fairness positive affect.

Table 20 contains descriptive statistics for positive affect score (PAS) and the fairness of the bonus difference. A 2x3 ANCOVA indicated there was not a significant interaction between information level and policy type,  $F(2,99) = 0.95$ ,  $p = .392$ ,  $\omega^2 = 0.00$ . The main effect for policy type was not significant,  $F(1,99) = 1.92$ ,  $p = .169$ ,



$\omega^2 = 0.00$ . The main effect for information level was significant,  $F(2,99) = 6.35$ ,  $MSE = 2.47$ ,  $p = .003$ ,  $\omega^2 = 0.01$ . Pairwise comparisons on the adjusted means found that the fairness of the bonus difference was higher for full information than for some information and none information when controlling for PAS (Table 21). The 2x3 ANCOVA also indicated that the covariate PAS was significant,  $F(1,99) = 5.25$ ,  $MSE = 2.47$ ,  $p = .024$ ,  $\omega^2 = 0.01$ . However, because the information level remained significant (when the covariate was not present), this indicates that the covariate (PAS) did not have an impact on the relationship between information level and the fairness of the bonus difference. The covariate also did not impact the significance of the policy type or interaction.

Table 20  
*Descriptive Statistics for PAS and Fairness of the Bonus Difference*

Variable		None	Some	Full
Fairness	<i>M</i>	3.76	3.41	4.84
	<i>SD</i>	1.64	1.39	1.74
	<i>N</i>	37	32	37
	<i>Adj M*</i>	3.72	3.52	4.77
	<i>Std. Error</i>	0.26	0.28	0.26
PAS	<i>M</i>	32.65	29.47	33.62
	<i>SD</i>	8.00	8.51	8.17
	<i>N</i>	37	32	37

\* Fairness of the Bonus Difference adjusted for PAS

Table 21

*Pairwise Comparisons on PAS, Adjusted for Fairness of the Bonus Difference*

(I)	(J)	Mean Difference (I-J)	95% Confidence Interval for Difference	
			Lower Bound	Upper Bound
None	Some	.21	-.56	.97
	Full	-1.05*	-1.77	-.32
Some	None	-.21	-.97	.56
	Full	-1.25*	-2.02	-.49
Full	None	1.05*	.32	1.77
	Some	1.25*	.49	2.02

\*. The mean difference is significant at the .05 level.

**Perceptions of overall pay difference fairness negative affect.**

Table 22 contains descriptive statistics for NAS and the fairness of the overall pay difference. A 2x3 ANCOVA indicated there was not a significant interaction between information level and policy type,  $F(2,98) = .07, p = .930, \omega^2 = 0.00$ . The main effect for policy type was not significant,  $F(1,98) = 1.29, p = .259, \omega^2 = 0.00$ . In this case, the main effect for information level was not significant,  $F(2,98) = 2.41, MSE = 2.80, p = .095, \omega^2 = 0.00$ . However, pairwise comparisons on the adjusted means found that the overall fairness was higher for full information than for some information when controlling for NAS (Table 23). The 2x3 ANCOVA also indicated that the covariate NAS was not significant,  $F(1,98) = 3.48, MSE = 2.80, p = .065, \omega^2 = 0.00$ . However, because the information level lost significance (when the covariate was present), this indicates that the covariate (NAS) had an impact on the relationship between information level and the overall fairness. Negative Affect did not impact the significance of the policy type or interaction.

Table 22

*Descriptive Statistics for NAS and Fairness of the Overall Pay Difference*

Variable		None	Some	Full
Fairness	<i>M</i>	3.94	3.59	4.59
	<i>SD</i>	1.57	1.72	1.76
	<i>N</i>	36	32	37
	<i>Adj M*</i>	3.91	3.68	4.54
	<i>Std. Error</i>	0.28	0.30	0.28
NAS	<i>M</i>	20.86	23.31	20.03
	<i>SD</i>	7.60	7.00	7.72
	<i>N</i>	36	32	37

\* Overall Fairness adjusted for NAS

Table 23

*Pairwise Comparisons on NAS, Adjusted for Fairness of the Overall Pay Difference*

(I)	(J)	Mean Difference (I-J)	95% Confidence Interval for Difference	
			Lower Bound	Upper Bound
None	Some	.23	-.58	1.05
	Full	-.63	-1.41	.15
Some	None	-.23	-1.05	.58
	Full	-.86*	-1.67	-.04
Full	None	.63	-.15	1.41
	Some	.86*	.04	1.67

\*. The mean difference is significant at the .05 level.

### **Perceptions of overall pay difference fairness positive affect.**

Table 24 contains descriptive statistics for PAS and fairness, specifically the fairness of the overall pay difference. A familywise alpha of .05 was used for all analyses. A 2x3 ANCOVA indicated there was not a significant interaction between information level and policy type,  $F(2,99) = 0.45$ ,  $p = .641$ ,  $\omega^2 = 0.00$ . The main

effect for policy type was not significant,  $F(1,99) = 1.61, p = .208, \omega^2 = 0.00$ . The main effect for information level was not significant,  $F(2,99) = 2.28, MSE = 2.70, p = .108, \omega^2 = 0.00$ . The 2x3 ANCOVA also indicated that the covariate PAS was significant,  $F(1,99) = 7.09, MSE = 2.70, p = .009, \omega^2 = 0.01$ . However, because the information level lost significance (when the covariate was present), this indicates that the covariate (PAS) had an impact on the relationship between information level and the overall fairness. The covariate did not impact the significance of the policy type or interaction.

Table 24

*Descriptive Statistics for PAS and Fairness of the Overall Pay Difference*

Variable		None	Some	Full
Fairness	<i>M</i>	3.89	3.59	4.59
	<i>SD</i>	1.58	1.72	1.76
	<i>N</i>	37	32	37
	<i>Adj M*</i>	3.85	3.73	4.51
	<i>Std. Error</i>	0.27	0.30	0.27
PAS	<i>M</i>	32.65	29.47	33.62
	<i>SD</i>	8.00	8.51	8.17
	<i>N</i>	37	32	37

\* Overall Fairness adjusted for PAS

## **CHAPTER FOUR: DISCUSSION**

Since the measures of fairness, fairness of bonus difference and overall fairness of the pay difference, were significant and yielded similar results they were discussed collectively. This implies that as perceptions of the bonus fairness increase, so does the perceptions of overall fairness.

### **Information Level**

The first hypothesis sought to look at the relationship between the amount of information given and the perception of fairness. It stated that the greater the amount of information regarding the pay difference, the greater perception of fairness. This relationship was speculated due to past research and the idea of informational justice suggesting that perceived fairness relies on sufficient, candid, accurate, detailed, adequate, relevant, and timely explanations when communicating decisions (Au & Leung, 2016; Beugré, 1998; Cheung, 2013; Melkonian, Soenen & Ambrose, 2016; Ro et al., 2013; Roberson & Stewart, 2006). This would imply that an individual should perceive a situation as more fair, the more sufficient the rationale given of the discrepancy.

Results show that the amount of information given did impact both fairness items (bonus fairness and overall fairness). When looking at the perceived fairness of the bonus, more rationale given regarding the pay difference always showed considerably higher perceptions of fairness when compared to no rationale given and partial rationale given. Also, while no rationale given were some rationale given was not significantly different, in all cases no rationale had slightly higher perceptions of fairness.

When looking at the perceived fairness of the overall situation full rationale given regarding the pay difference always showed considerably higher perceptions of fairness than when partial rationale was given. Similar to above, no rationale given and partial rationale given were not significantly different, however, no rationale had slightly higher perceptions of fairness. Also, while full rationale given and no rationale given was not significantly different, full rationale continuously had slightly higher perceptions of fairness.

These findings indicate that full rationale is always perceived more fair than partial rationale and no rationale. This suggests that individuals are more likely to perceive a situation as fair if there are high levels of communication. This promotes the idea that perceptions of fairness are aligned with sufficient and truthful explanations. These findings also vaguely suggest that individuals would prefer no communication regarding a possible unfair situation, rather than receiving a partial explanation. This could imply that a partial explanation, is perceived as more unfair. Richter et al. discussed the need for information to be accepted and perceived as accurate (2016), meaning partial explanation of an unfair situation may seem less accurate due to unsureness of the statement.

### **Policy Type**

The second hypothesis sought to look at the relationship between the type of policy and the perception of fairness. It stated that when compared to pay transparency policies, pay secrecy policies will seem more unfair. This relationship was speculated because a pay secrecy policy is the organizational practice that restricts employees from

(formally or informally) communicating information regarding their own pay or pay of other employees of the same organization (Bamberger & Belogolovsky, 2010; Kim, 2015). Individuals should already feel negatively towards the situation due to this restriction, which should result in an individual perceiving a pay difference as unfair, regardless of a sufficient explanation of the discrepancy. This would imply that an individual should perceive a situation as more fair, if the organization has an open communication policy compared to a pay transparency policy.

While neither fairness measure (bonus fairness and overall fairness) showed type of policy to be significant, results did indicate that individuals with the transparent policy had slightly higher perceptions of fairness than those with the secrecy policy. The lack of significance would negate the claim that the type of policy is important in perceptions of fairness. However, the lack of significance could be due to other factors, including a limited sample or a limited amount of individuals that lack experience with pay secrecy policies.

## **Covariates**

### **Negative affect.**

The research question sought to look at the relationship between the amount of information given and the perception of fairness with negative affect score as a covariate. It asked if negative affect impacted perceptions of pay fairness when the amount of information regarding the difference varies. This relationship was speculated due to the pessimistic point of view seen from those high in negative affect. Someone with this view

is more likely to perceive any pay difference as unfair, regardless of a sufficient explanation of the discrepancy.

Negative affect was negatively correlated with both of the measures of fairness – perceptions of the fairness of the bonus and overall fairness perceptions. When Negative Affect was added as a covariate it was found to be significantly related to fairness of the bonus and the main effect for information level was again found. Yet, in looking at the overall fairness, Negative Affect was not significantly related and the main effect for information level was no longer significant. While one measure of fairness does not support the claim that the amount of information may not be important in perceptions of fairness if an individual is high in negative affect, the other does. Finding support is acceptable because those high in negative affect perceive lower levels of fairness (Mao, 2010) and are more likely to perceive the overall situation of any pay difference as unfair regardless of whether a solid explanation was given or not. While, the lack of support shows the importance of having a sufficient explanation. However, it is likely that the differences in these findings were due to low sample size.

### **Positive affect.**

The research question also sought to look at the relationship between the amount of information given and the perception of fairness with positive affect score as a covariate. It also asked if positive affect impact perceptions of pay fairness when the amount of information regarding the difference varies. This relationship was speculated due to the optimistic point of view seen from those high in positive affect. When



compared to the opposite, someone with this view of thinking is more likely to perceive any pay difference as fair, regardless of a sufficient explanation of the discrepancy.

The results for Positive Affect are similar the findings regarding the influence of Negative Affect described earlier. Positive affect was correlated with both bonus fairness and overall fairness. Adding Positive Affect to the model influenced the perceptions of overall fairness in that the amount of information given was no longer significant, while in regards to perception of the bonus fairness, the amount of information given remained to be significant. The lack of significance shows that amount of information given for the overall situation may not be as important to an individual high in positive affectivity. This supports the claim that high levels of communication regarding a possible unfair situation are not needed to increase the perception of bonus fairness when high levels of positive affectivity are present. This could be because those high in positive affect experience high perceptions of fairness regardless of an explanation given for a possible unfair situation (Mao, 2010). While this is true for overall fairness, the shown significance regarding amount of information and perceptions of the bonus fairness negates the claim that the amount of information may not be important in perceptions of fairness if an individual is high in positive affect. These findings suggest that high levels of communication are important in perceptions of fairness.

It appears that while the fairness perceptions in the full and no information conditions didn't change when Positive Affect and Negative Affect were added, fairness perceptions in the some information condition were impacted by the participant's Negative Affect or Positive Affect scores. It also appears that individuals in the some

information condition had greater negative affect (and less positive affect) than in the other two conditions. Since PANAS was measured after the scenarios, it's difficult to draw any conclusions. It's possible the scenarios influenced the PANAS scores, or it may just be the individuals with negative affect were not equally distributed across all conditions due to low sample size.

### **Equity.**

The third hypothesis sought to look at the relationship between the amount of information given and the perception of fairness with equity as a covariate. It stated that those who score high in equity will perceive the pay difference as fair when full information is given. This relationship was speculated because those who value equity value the belief that individuals should be rewarded based on their individual input. Someone with this view of thinking is more likely to perceive any pay difference as fair, when a sufficient explanation of the discrepancy is based on merit.

Equity, however, was unrelated to either bonus fairness or overall fairness. Yet, the general finding is the full information was perceived significantly more fair. As predicted, those who believe in equity believe that outcomes should be rewarded based on individual contributions (Brickman & Bryan, 1976; Giacobbe-Miller, Miller & Zhang, 1997; Kim & Harmon 2014; Marin, 1981; Shapiro, 1975; Wagstaff, Huggins & Perfect, 1993), therefore it makes sense that those who value equity also value full explanations.

### **Equality.**

The fourth hypothesis sought to look at the relationship between the amount of information given and the perception of fairness with equality as a covariate. It stated that

those that score high in equality will perceive the pay difference as unfair. This relationship was speculated because those who value equality value the belief that individuals should be rewarded the same, regardless of an individual's input and independently of any other factors (Brickman & Bryan, 1976; Giacobbe-Miller, Miller & Zhang, 1997; Kim & Harmon 2014; Marin, 1981). Someone with this view of thinking are more likely to perceive any pay difference as unfair, regardless of a sufficient explanation of the discrepancy.

Equality is significantly correlated with both measures of fairness, but did not change the relationship between information level and either perceptions of fairness. The claim that those who value equality will perceive the situation as unfair was not generally supported. The surprising findings of full explanations being seen as more fair is tolerable because it further suggests the idea that high levels of communication regarding a possible unfair situation are needed to increase the perception of overall fairness. This makes sense because full and sufficient explanation of an unfair situation is highly important in judging perceptions of fairness.

### **Implications**

The first main implication seen in this study is that affect (positive and negative) can affect an individual's perception of fairness. This means that an organization may have little control over an individual's perception of fairness. Although there are some individual predispositions that can impact fairness perceptions. There are also ways the organization can increase the perception of fairness. This is through communication.

This study showed that when more of a rationale is given for a bonus difference, it

is more likely that the situation will be perceived as more fair, than if no rationale or partial rationale was given. This shows that communication is important when making decisions and organizations should be more open about communicating the rationale for decisions to their employees. If this is done it is less likely that the employees will exhibit the counterproductive work behaviors, like theft, sabotage, or retaliation, and more like that they exhibit behaviors that benefit the organization, like the organizational citizenship behaviors.

### **Limitations**

This study contributes to literature regarding organizational justice and provides insights specifically into the effects that informational justice regarding pay may have on the organization. Despite some interesting findings and implications, there are some limitations to this study that are worth noting. First, it is important to note that the lack of the ideal sample size. A minimum of 30 participants per condition would be ideal, this would reassure any significant results are not due to chance.

Second, the fact that participants in this study were students of a large university, the ability to generalize these results to the organizational setting is limited and should be done with caution when attempted to do so. Although majority of the participants have had jobs, their jobs are not generalizable to the organizational jobs that would be concerned with a pay secrecy policies and coworker pay differences.

Another limitation is the fact that the measures are taken for class credit un-proctored. This un-proctored survey could result in students clicking through the survey

in order to receive credit instead of the want to help with educational research. While this is a limitation, the quick responders can be monitored because the online survey allows the researcher to know how quickly the survey was taken and any surveys finished in a short, unreasonable amount of time was discarded from the research.

The fourth limitation is the inability of the participants to personalize with the situations. The situations include a pay discrepancy between paper people. If the participants were able to individualize more with the situation as if the pay difference happened to the individual participant, then results could have differed due to the participants ability to better identify with the situation.

Allowing participants to evaluate themselves on the Positive and Negative Affect Scale is another limitation. This study sought to look at general mood, it could be difficult for participants to properly judge their general mood without underrating or overrating the mood they generally have inhibit. Furthermore, participants could have evaluated their current mood, instead of their general or typical mood. In regard to affect, Bower states that mood can affect “self-evaluations of their own behavior” (1991, p.41). For example, those in more positive moods seemed to portray themselves in a more positive light.

Lastly, another limitation might be that the situation used in this study was about a pay bonus difference. Other types of pay differences (i.e. salary, hourly, commission, overtime, bereavement, etc.) could lead to different reactions.

### **Future Research**

Future research should pursue to assess the hypotheses in an organizational

setting. Furthermore, this study was used as preliminary research and future research should use a more representative sample. This includes adult participants who are working full time and who preferably are familiar with pay secrecy and open communication policies. Lastly, future research should organize the study to allow participants to experience firsthand the pay discrepancy. If this is done, it would be

interesting to measure supervisory trust to determine the role an individual's trust in their supervisor plays in perception of fairness.

## **Conclusion**

Based on previous research on organizational justice, four hypotheses were explored that looked at informational justice regarding pay in the organization. The amount of information given regarding a pay difference between coworkers was significantly related to perceptions of fairness. Furthermore, negative affect and positive affect could impact those perceptions, while policy type, belief in equity, and belief in equality showed to have no impact.

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## **APPENDICES**

## Appendix A: IRB Approval Form

**IRB**  
**INSTITUTIONAL REVIEW BOARD**  
 Office of Research Compliance,  
 010A Sam Ingram Building,  
 2269 Middle Tennessee Blvd  
 Murfreesboro, TN 37129



### IRBN007 – EXEMPTION DETERMINATION NOTICE

Thursday, January 18, 2018

Investigator(s): Kyera Fletcher; Judith Van Hein  
 Investigator(s') Email(s): kaf4h@mtmail.mtsu.edu; Judith.VanHein@mtsu.edu  
 Department: Psychology

Study Title: Does Lack of Communication Regarding Pay Negatively Affect Perceived Justice in the Workplace?  
 Protocol ID: 18-1126

Dear Investigator(s),

The above identified research proposal has been reviewed by the MTSU Institutional Review Board (IRB) through the **EXEMPT** review mechanism under 45 CFR 46.101(b)(2) within the research category (2) *Educational Tests*. A summary of the IRB action and other particulars in regard to this protocol application is tabulated as shown below:

IRB Action	EXEMPT from further IRB review***	
Date of expiration	<b>NOT APPLICABLE</b>	
Participant Size	300 [Three Hundred]	
Participant Pool	<b>Adults 18+</b>	
Mandatory Restrictions	1. Participants must be age 18+ 2. Informed consent must be obtained from all participants 3. Identifiable data may not be collected/stored with participant responses	
Additional Restrictions	<b>None at this time</b>	
Comments	None at this time	
Amendments	<b>Date</b>	<b>Post-Approval Amendments</b>
		None at this time

\*\*\*This exemption determination only allows above defined protocol from further IRB review such as continuing review. However, the following post-approval requirements still apply:

- Addition/removal of subject population should not be implemented without IRB approval
- Change in investigators must be notified and approved
- Modifications to procedures must be clearly articulated in an addendum request and the proposed changes must not be incorporated without an approval
- Be advised that the proposed change must comply within the requirements for exemption
- Changes to the research location must be approved – appropriate permission letter(s) from external institutions must accompany the addendum request form

Institutional Review Board

Office of Compliance

Middle Tennessee State University

- Changes to funding source must be notified via email ([irb\\_submissions@mtsu.edu](mailto:irb_submissions@mtsu.edu))
- The exemption does not expire as long as the protocol is in good standing
- Project completion must be reported via email ([irb\\_submissions@mtsu.edu](mailto:irb_submissions@mtsu.edu))
- Research-related injuries to the participants and other events must be reported within 48 hours of such events to [compliance@mtsu.edu](mailto:compliance@mtsu.edu)

The current MTSU IRB policies allow the investigators to make the following types of changes to this protocol without the need to report to the Office of Compliance, as long as the proposed changes do not result in the cancellation of the protocols eligibility for exemption:

- Editorial and minor administrative revisions to the consent form or other study documents
- Increasing/decreasing the participant size

The investigator(s) indicated in this notification should read and abide by all applicable post-approval conditions imposed with this approval. [Refer to the post-approval guidelines posted in the MTSU IRB's website](#). Any unanticipated harms to participants or adverse events must be reported to the Office of Compliance at (615) 494-8918 within 48 hours of the incident.

All of the research-related records, which include signed consent forms, current & past investigator information, training certificates, survey instruments and other documents related to the study, must be retained by the PI or the faculty advisor (if the PI is a student) at the secure location mentioned in the protocol application. The data storage must be maintained for at least three (3) years after study completion. Subsequently, the researcher may destroy the data in a manner that maintains confidentiality and anonymity. IRB reserves the right to modify, change or cancel the terms of this letter without prior notice. Be advised that IRB also reserves the right to inspect or audit your records if needed.

Sincerely,

Institutional Review Board  
Middle Tennessee State University

Quick Links:

[Click here](#) for a detailed list of the post-approval responsibilities.  
More information on exempt procedures can be found [here](#).

## **Appendix B: The Six Scenarios**

### **Instructions:**

The point of this survey is to determine the fairness of a work-related situation. First please read the scenario thoroughly. You will be given information regarding an organization and two employees of that organization

Please read all information.

### Pay Secrecy Policy- No Information

Taylor and Alex are two coworkers that have recently finished college and was quickly hired by a photography organization called TriFlash Incorporated. Before accepting the job, all employees must agree to the policies in the employee handbook and are told to pay close attention to the ‘Wage and Salary Policies’ section (since employees tend to have the most questions about this section). The ‘Wage and Salary Policies’ section states:

#### SECTION 7

#### WAGE AND SALARY POLICIES

##### 7.1 Confidentiality

“Employees are prohibited from discussing their salary or wage levels and company benefits with other employees. Such information is confidential and may not be discussed in the workplace. Any employee violating this policy will be considered to have committed a breach of confidentiality and will be subject to disciplinary action, up to and possibly including termination of employment.”

##### 7.2 Bonuses

“Bonuses will be determined on the basis of performance, adherence to TriFlash Incorporated procedures and policies, ability to meet or exceed duties per job description and achieve performance goals, essential nature of position held, and the best interests of the TriFlash Incorporated (see Section 5.2, Performance Review/Planning Sessions). The decision to reward employees with bonuses will be made solely at the discretion of TriFlash Incorporated, and may or may not be given each year. No employee is guaranteed a bonus at the end of the year.”

1. Would Triflash be able to punish an employee for breaking confidentiality?

- a. Yes
- b. No

2. Please indicate the fairness of the policy from section 7.1?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7
Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair

3. Please indicate the fairness of the bonus policy from section 7.2?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7
Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair

4. Does the policy from section 7.1 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

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5. Does the bonus policy from section 7.2 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

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TriFlash Inc. has a pay secrecy policy, which means that the organization has a policy that restricts employees from (formally or informally) communicating information regarding their own pay or pay of other employees of the same organization.

Taylor and Alex both agreed to all the policies in the employee handbook and accepted the job offer. They work beside each other; they started the same day in the same department. They do similar work and get paid the same salary. Taylor and Alex became close and tend to hang out outside of work. Because they are such good friends they tend to talk about work and personal events, this includes their pay.

Although it is not promised, it is customary that every employee receives a bonus check at the end of the year. Taylor and Alex decide to celebrate their work anniversary and bonus checks by grabbing dinner and drinks after work. During the dinner, Taylor asks how Alex will be spending the end of the year bonus check. Alex's answer surprises Taylor because Taylor realizes that Alex's item is expensive. Therefore, Taylor and Alex exchange bonus check amounts and realizes that there is a pay difference of \$2,000 between their two checks. Taylor is shocked and does not understand how this is so.

Taylor wants to bring this conversation to the Human Resource department, but there is a pay secrecy policy.

### Pay Secrecy Policy- Some Information

Taylor and Alex are two coworkers that have recently finished college and was quickly hired by a photography organization called TriFlash Incorporated. Before accepting the job, all employees must agree to the policies in the employee handbook and are told to pay close attention to the ‘Wage and Salary Policies’ section (since employees tend to have the most questions about this section). The ‘Wage and Salary Policies’ section states:

#### SECTION 7

#### WAGE AND SALARY POLICIES

##### 7.1 Confidentiality

“Employees are prohibited from discussing their salary or wage levels and company benefits with other employees. Such information is confidential and may not be discussed in the workplace. Any employee violating this policy will be considered to have committed a breach of confidentiality and will be subject to disciplinary action, up to and possibly including termination of employment.”

##### 7.2 Bonuses

“Bonuses will be determined on the basis of performance, adherence to TriFlash Incorporated procedures and policies, ability to meet or exceed duties per job description and achieve performance goals, essential nature of position held, and the best interests of the TriFlash Incorporated (see Section 5.2, Performance Review/Planning Sessions). The decision to reward employees with bonuses will be made solely at the discretion of TriFlash Incorporated, and may or may not be given each year. No employee is guaranteed a bonus at the end of the year.”

1. Would Triflash be able to punish an employee for breaking confidentiality?

- a. Yes
- b. No

2. Please indicate the fairness of the policy from section 7.1?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7
Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair

3. Please indicate the fairness of the bonus policy from section 7.2?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7
Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair

4. Does the policy from section 7.1 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

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5. Does the bonus policy from section 7.2 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

---

TriFlash Inc. has a pay secrecy policy, which means that the organization has a policy that restricts employees from (formally or informally) communicating information regarding their own pay or pay of other employees of the same organization.

Taylor and Alex both agreed to all the policies in the employee handbook and accepted the job offer. They work beside each other; they started the same day in the same department. They do similar work and get paid the same salary. Taylor and Alex became close and tend to hang out outside of work. Because they are such good friends they tend to talk about work and personal events, this includes their pay.

Although it is not promised, it is customary that every employee receives a bonus check at the end of the year. Taylor and Alex decide to celebrate their work anniversary and bonus checks by grabbing dinner and drinks after work. During the dinner, Taylor asks how Alex will be spending the end of the year bonus check. Alex's answer surprises Taylor because Taylor realizes that Alex's item is expensive. Therefore, Taylor and Alex exchange bonus check amounts and realizes that there is a pay difference of \$2,000 between their two checks. Taylor is shocked and does not understand how this is so. Taylor tells Alex the situation and asks for Alex's thoughts on why the difference is so substantially large. Alex responds, "Maybe, it's because I signed up for some volunteer work, I don't know."

Taylor wants to bring this conversation to the Human Resource department, but there is a pay secrecy policy.



### Pay Secrecy Policy- Full Information

Taylor and Alex are two coworkers that have recently finished college and was quickly hired by a photography organization called TriFlash Incorporated. Before accepting the job, all employees must agree to the policies in the employee handbook and are told to pay close attention to the ‘Wage and Salary Policies’ section (since employees tend to have the most questions about this section). The ‘Wage and Salary Policies’ section states:

#### SECTION 7

#### WAGE AND SALARY POLICIES

##### 7.1 Confidentiality

“Employees are prohibited from discussing their salary or wage levels and company benefits with other employees. Such information is confidential and may not be discussed in the workplace. Any employee violating this policy will be considered to have committed a breach of confidentiality and will be subject to disciplinary action, up to and possibly including termination of employment.”

##### 7.2 Bonuses

“Bonuses will be determined on the basis of performance, adherence to TriFlash Incorporated procedures and policies, ability to meet or exceed duties per job description and achieve performance goals, essential nature of position held, and the best interests of the TriFlash Incorporated (see Section 5.2, Performance Review/Planning Sessions). The decision to reward employees with bonuses will be made solely at the discretion of TriFlash Incorporated, and may or may not be given each year. No employee is guaranteed a bonus at the end of the year.”

1. Would Triflash be able to punish an employee for breaking confidentiality?

- a. Yes
- b. No

2. Please indicate the fairness of the policy from section 7.1?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7
Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair

3. Please indicate the fairness of the bonus policy from section 7.2?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7
Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair

4. Does the policy from section 7.1 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

---

5. Does the bonus policy from section 7.2 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

---

TriFlash Inc. has a pay secrecy policy, which means that the organization has a policy that restricts employees from (formally or informally) communicating information regarding their own pay or pay of other employees of the same organization.

Taylor and Alex both agreed to all the policies in the employee handbook and accepted the job offer. They work beside each other; they started the same day in the same department. They do similar work and get paid the same salary. Taylor and Alex became close and tend to hang out outside of work. Because they are such good friends they tend to talk about work and personal events, this includes their pay.

Although it is not promised, it is customary that every employee receives a bonus check at the end of the year. Taylor and Alex decide to celebrate their work anniversary and bonus checks by grabbing dinner and drinks after work. During the dinner, Taylor asks how Alex will be spending the end of the year bonus check. Alex's answer surprises Taylor because Taylor realizes that Alex's item is expensive. Therefore, Taylor and Alex exchange bonus check amounts and realizes that there is a pay difference of \$2,000 between their two checks. Taylor is shocked and does not understand how this is so. Alex exclaims, "my supervisor told me that the pay disbursements are through Human Resources and the Human Resources department has strict guidelines on how they disburse the annual bonus checks. However, I took on greater responsibility and volunteered for tasks that were beyond the duties of the job description."

Taylor wants to bring this conversation to the Human Resource department, but there is a pay secrecy policy.

### Open Communication Policy- No Information

Taylor and Alex are two coworkers that have recently finished college and was quickly hired by a photography organization called TriFlash Incorporated. Before accepting the job, all employees must agree to the policies in the employee handbook and are told to pay close attention to the ‘Wage and Salary Policies’ section (since employees tend to have the most questions about this section). The ‘Wage and Salary Policies’ section states:

#### SECTION 7

#### WAGE AND SALARY POLICIES

##### 7.1 Pay Transparency

TriFlash Incorporated “will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions” please see Section 7.6 Compensation disclosure of the employee handbook.

##### 7.2 Bonuses

“Bonuses will be determined on the basis of performance, adherence to TriFlash Incorporated procedures and policies, ability to meet or exceed duties per job description and achieve performance goals, essential nature of position held, and the best interests of the TriFlash Incorporated (see Section 5.2, Performance Review/Planning Sessions). The decision to reward employees with bonuses will be made solely at the discretion of TriFlash Incorporated, and may or may not be given each year.

No employee is guaranteed a bonus at the end of the year.”

1. Would Triflash be able to punish an employee for breaking confidentiality?

- a. Yes
- b. No

2. Please indicate the fairness of the policy from section 7.1?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7
Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair

3. Please indicate the fairness of the bonus policy from section 7.2?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7

Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair
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4. Does the policy from section 7.1 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

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5. Does the bonus policy from section 7.2 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

---

TriFlash Inc. has a policy that does **not** restrict employees from (formally or informally) communicating information regarding their own pay or pay of other employees of the same organization.

Taylor and Alex both agreed to all the policies in the employee handbook and accepted the job offer. They work beside each other; they started the same day in the same department. They do similar work and get paid the same salary. Taylor and Alex became close and tend to hang out outside of work. Because they are such good friends they tend to talk about work and personal events, this includes their pay.

Although it is not promised, it is customary that every employee receives a bonus check at the end of the year. Taylor and Alex decide to celebrate their work anniversary and bonus checks by grabbing dinner and drinks after work. During the dinner, Taylor asks how Alex will be spending the end of the year bonus check. Alex's answer surprises Taylor because Taylor realizes that Alex's item is expensive. Therefore, Taylor and Alex exchange bonus check amounts and realizes that there is a pay difference of \$2,000 between their two checks. Taylor is shocked and does not understand how this is so.

Taylor wants to bring this conversation to the Human Resource department, because there is a pay transparency policy.

### Open Communication Policy- Some Information

Taylor and Alex are two coworkers that have recently finished college and was quickly hired by a photography organization called TriFlash Incorporated. Before accepting the job, all employees must agree to the policies in the employee handbook and are told to pay close attention to the ‘Wage and Salary Policies’ section (since employees tend to have the most questions about this section). The ‘Wage and Salary Policies’ section states:

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- a. Yes
- b. No

2. Please indicate the fairness of the policy from section 7.1?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7
Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair

3. Please indicate the fairness of the bonus policy from section 7.2?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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4. Does the policy from section 7.1 ensure justice for everyone?

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Why, or Why not

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5. Does the bonus policy from section 7.2 ensure justice for everyone?

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Why, or Why not

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TriFlash Inc. has a policy that does **not** restrict employees from (formally or informally) communicating information regarding their own pay or pay of other employees of the same organization.

Taylor and Alex both agreed to all the policies in the employee handbook and accepted the job offer. They work beside each other; they started the same day in the same department. They do similar work and get paid the same salary. Taylor and Alex became close and tend to hang out outside of work. Because they are such good friends they tend to talk about work and personal events, this includes their pay.

At the end of the year Taylor and Alex decide to celebrate their work anniversary by grabbing dinner. Although it is not promised, it is customary that every employee receives a bonus check at the end of the year. Taylor and Alex decide to celebrate their work anniversary and bonus checks by grabbing dinner and drinks after work. During the dinner, Taylor asks how Alex will be spending the end of the year bonus check. Alex's answer surprises Taylor because Taylor realizes that Alex's item is expensive. Therefore, Taylor and Alex exchange bonus check amounts and realizes that there is a pay difference of \$2,000 between their two checks. Taylor is shocked and does not understand how this is so. Taylor tells Alex the situation and asks for Alex's thoughts on why the difference is so substantially large. Alex responds, "Maybe, it's because I signed up for some volunteer work, I don't know."

Taylor wants to bring this conversation to the Human Resource department, because there is a pay transparency policy.

### Open Communication Policy- Full Information

Taylor and Alex are two coworkers that have recently finished college and was quickly hired by a photography organization called TriFlash Incorporated. Before accepting the job, all employees must agree to the policies in the employee handbook and are told to pay close attention to the ‘Wage and Salary Policies’ section (since employees tend to have the most questions about this section). The ‘Wage and Salary Policies’ section states:

#### SECTION 7

#### WAGE AND SALARY POLICIES

##### 7.1 Pay Transparency

TriFlash Incorporated “will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions” please see Section 7.6 Compensation disclosure of the employee handbook.

##### 7.2 Bonuses

“Bonuses will be determined on the basis of performance, adherence to TriFlash Incorporated procedures and policies, ability to meet or exceed duties per job description and achieve performance goals, essential nature of position held, and the best interests of the TriFlash Incorporated (see Section 5.2, Performance Review/Planning Sessions). The decision to reward employees with bonuses will be made solely at the discretion of TriFlash Incorporated, and may or may not be given each year.

No employee is guaranteed a bonus at the end of the year.”

1. Would Triflash be able to punish an employee for breaking confidentiality?

- a. Yes
- b. No

2. Please indicate the fairness of the policy from section 7.1?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7
Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair

3. Please indicate the fairness of the bonus policy from section 7.2?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1	2	3	4	5	6	7

Completely unfair	Unfair	Somewhat unfair	Neither fair/unfair	Somewhat fair	Fair	Completely fair
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4. Does the policy from section 7.1 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

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5. Does the bonus policy from section 7.2 ensure justice for everyone?

- a. Yes
- b. No

Why, or Why not

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TriFlash Inc. has a policy that does **not** restrict employees from (formally or informally) communicating information regarding their own pay or pay of other employees of the same organization.

Taylor and Alex both agreed to all the policies in the employee handbook and accepted the job offer. They work beside each other; they started the same day in the same department. They do similar work and get paid the same salary. Taylor and Alex became close and tend to hang out outside of work. Because they are such good friends they tend to talk about work and personal events, this includes their pay.

Although it is not promised, it is customary that every employee receives a bonus check at the end of the year. Taylor and Alex decide to celebrate their work anniversary and bonus checks by grabbing dinner and drinks after work. During the dinner, Taylor asks how Alex will be spending the end of the year bonus check. Alex's answer surprises Taylor because Taylor realizes that Alex's item is expensive. Therefore, Taylor and Alex exchange bonus check amounts and realizes that there is a pay difference of \$2,000 between their two checks. Taylor is shocked and does not understand how this is so. Alex exclaims, "my supervisor told me that the pay disbursements are through Human Resources and the Human Resources department has strict guidelines on how they disburse the annual bonus checks. However I took on greater responsibility and volunteered for tasks that were beyond the duties of the job description."

Taylor wants to bring this conversation to the Human Resource department, because there is a pay transparency policy.



### Appendix C: The Fairness Measure

6. Please select whether or not you agree with the following statement. Taylor and Alex should have received the same bonus amount?

- a. Agree
- b. Disagree
- c. Not sure

Why? \_\_\_\_\_

7. Please indicate the fairness of the bonus difference?

☐ Completely unfair   
 ☐ Unfair   
 ☐ Somewhat unfair   
 ☐ Neither fair/unfair   
 ☐ Somewhat fair   
 ☐ Fair   
 ☐ Completely fair

8. Please indicate the fairness of the overall situation of the pay difference?

☐ Completely unfair   
 ☐ Unfair   
 ☐ Somewhat unfair   
 ☐ Neither fair/unfair   
 ☐ Somewhat fair   
 ☐ Fair   
 ☐ Completely fair

9. How much influence did the organization's policy have on your decision on the fairness of the overall situation of the pay difference?

☐ No influence   
 ☐ Some influence   
 ☐ A lot of influence

10. How reasonable was the explanation given for the pay difference?

☐ Very unreasonable   
 ☐ Unreasonable   
 ☐ Reasonable   
 ☐ Very Reasonable

Why, or why not?

\_\_\_\_\_

11. Please indicate your response to the following question. The pay difference reflects the efforts Taylor and Alex put into their work?

☐ Strongly Disagree   
 ☐ Disagree   
 ☐ Agree   
 ☐ Strongly Agree

Why or why not?

\_\_\_\_\_

12. Please indicate your response to the following question. The pay difference reflects the work Taylor and Alex contributed to the organization?

☐ Strongly Disagree     
 ☐ Disagree     
 ☐ Agree     
 ☐ Strongly Agree

Why or why not?

13. Please indicate your response to the following question. If you were in this situation would you discuss the pay difference with your supervisor?

☐ Definitely not     
 ☐ Maybe not     
 ☐ Maybe     
 ☐ Definitely

Why? \_\_\_\_\_

14. Please indicate your response to the following question. If you were in this situation would you approach Human Resource about the pay difference?

☐ Definitely not     
 ☐ Maybe not     
 ☐ Maybe     
 ☐ Definitely

Why? \_\_\_\_\_

15. What is the smallest amount of difference in pay that someone should speak up about? \_\_\_\_\_ dollars

16. What is Taylor's gender?

- Male
- Female
- Don't Remember

17. What is Alex's gender?

- Male
- Female
- Don't Remember

### Appendix D: The Positive and Negative Affect Scale

This scale consists of a number of words that describe different feelings and emotions. Read each item and then mark the appropriate answer in the space next to that word.

**Indicate to what extent you generally feel this way, that is, how you feel on the average.**

		<i>Very Slightly or Not At All (1)</i>	<i>A Little (2)</i>	<i>Moderately (3)</i>	<i>Quite a Bit (4)</i>	<i>Extremely (5)</i>
1.	Interested	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Distressed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Excited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Upset	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Strong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Guilty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Scared	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Hostile	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	Enthusiastic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	Proud	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.	Irritable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.	Alert	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.	Ashamed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14.	Inspired	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.	Nervous	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.	Determined	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.	Attentive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.	Jittery	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19.	Active	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.	Afraid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Appendix E: The Equity, Equality, and Need Scale (part 1)

### VALUES - FORCED CHOICE FORMAT

Instructions: There are thirteen (13) sets of statements in this section. Read each of the numbered sets and select the ONE statement you agree with the most (A, B, or C). These statements reflect some difficult choices that must be made. Sometimes you may agree with more than one of these statement, however, you must select only ONE of these statements.

1. Statement 1: Choose which statement you agree with the most.
  - a. When jobs are scarce, the individual with the most skills should get the job.
  - b. Everyone should be entitled to a job, even if the government has to create jobs for people as they did during the depression.
  - c. People who have greater need for jobs (e.g., single mothers) should be given preference for jobs over those who don't need the job as much (e.g., teenagers).
2. Statement 2: Choose which statement you agree with the most.
  - a. Children with special skills (intellectual, artistic, etc.) should be given additional resources (special teachers and classes) over and above what is given to average students.
  - b. Every child regardless of ability or handicap should be given the same quality of education as any other child. That is, equal resources (teachers, etc.) for every child.
  - c. Children with special needs (e.g., the handicapped or learning disabled) should be given additional resources (special classes and teachers) over and above what is given to other students.
3. Statement 3: Choose which statement you agree with the most.
  - a. College educational loans should be awarded on the basis of academic scholarship, (using ACT/SAT scores and H.S. GPA) to determine who qualifies for loans.
  - b. College educational loans should be awarded in such a way that everyone has an equal chance at receiving one. For example, using some type of a lottery to determine who should get a loan.
  - c. College educational loans should be awarded solely on the basis of financial need.
4. Statement 4: Several people are waiting to receive a liver transplant. How should the doctors decide who should receive the transplant?
  - a. The individual who is able to pay for the expense of the very costly operation.

- b. The individual who has been in the hospital longest. He is first on the waiting list.
  - c. The individual whom the doctors judge to be most critical.
- 5. Statement 5: With a limited amount of money available for current welfare programs, how should the government distribute the financial assistance?
  - a. People whom social workers believe are struggling to finish school and support a family.
  - b. The money available should be divided equally among all the current welfare recipients.
  - c. People whom social workers believe have the greatest financial need.
- 6. Statement 6: The president of XYZ Corp. is deciding how to distribute the yearly bonuses to her employees. Which of the following strategies would you recommend?
  - a. Highest bonuses should be given to those individuals with the highest performance evaluations from their supervisors.
  - b. Bonus money should be distributed equally to all workers at all levels of the company.
  - c. Highest bonuses should be given to those employees who have the greatest financial need.
- 7. Statement 7: Choose which statement you agree with the most.
  - a. It has been said "If a man doesn't work, he shouldn't expect to eat, either".
  - b. Every person deserves three good meals a day.
  - c. Government should provide food to those who need it most but not to those who can afford to pay for their own.
- 8. Statement 8: Choose which statement you agree with the most.
  - a. People with the most education (medical doctors, lawyers, Ph.D.'s) deserve higher salaries than those who do not possess those degrees.
  - b. Everyone deserves to be paid a "living wage" regardless of their education or the type of job they hold.
  - c. An individual's salary level should reflect his/her family's need for financial resources. For example, enlisted men in the military with children are paid more than soldiers with the same rank who do not have any dependents.
- 9. Statement 9: Teachers should assign grades...
  - a. based solely on objective measures (test scores, etc.) and those students with the greatest ability should receive the highest grades.

- b. based on his/her evaluation of the effort each student put into the work. If every child tried equally hard, every child should receive the same grade, even if some children were more successful than others in learning the material.
- c. based on his/her evaluation of what would be the most effective "motivator" for that child. For example, the 'A' student may be given a 'B' to encourage him/her to try even harder, while the 'C' student may be given a 'B' to encourage him/her, and thereby motivating him/her to try harder.

10. Statement 10: Choose which statement you agree with the most.

- a. Individuals with special talents (athletes, musicians, etc.) deserve the special attention and privileges they receive because of their talents.
- b. Everyone deserves the same treatment from others, regardless of their talents and abilities.
- c. Special attention and privileges should be provided for the elderly, the sick and the handicapped.

11. Statement 11: When sentencing individuals convicted of committing the same non-violent crime, judges should...

- a. be allowed to (encouraged) to consider the individual's potential contribution to society. For example, a doctor may be given a lighter sentence for the same crime than a factory worker.
- b. be required to give people convicted of the same crime to exact same sentence, regardless of the individual's background.
- c. be allowed (encouraged) to consider the effects of the sentence on the individual's health and or the welfare of his/her family.

12. Statement 12: Choose which statement you agree with the most.

- a. People who have worked hard, earned lots of money, are entitled to the nice homes in which they live.
- b. Every family should have a decent home even if the government has to build it for them.
- c. Larger families deserve larger homes than couples without children.

13. Statement 13: The castle is under siege, food supplies are limited. Food should be given to...

- a. the soldiers defending the castle. They need nourishment to maintain their strength.
- b. everyone equally. All citizens should receive some small portion of food.
- c. children and the sick. Without adequate food they might die.



## Appendix F: The Equity, Equality, and Need Scale (part 2)

### VALUES - LIKERT FORMAT

Instructions: There are 39 statements in this section. Read each of the statements and rate each on the extent to which you agree or disagree with the statement. Many of these statements are the same as the ones you read earlier. Since some of the statements were difficult to choose between, we are asking you to think about them again and react to them in a way which allows you to rate the relative "amount" to which you agree or disagree with each of these statements.

- 1 - strongly disagree
- 2 - disagree
- 3 - neutral, neither agree nor disagree
- 4 - agree
- 5 - strongly agree

1. When jobs are scarce, the individual with the most skills should get the job.
2. Everyone should be entitled to a job, even if the government has to create jobs for people as they did during the depression.
3. People who have greater need for jobs (e.g., single mothers) should be given preference for jobs over those who don't need the job as much (e.g., teenagers).
4. Children with special skills (intellectual, artistic, etc.) should be given additional resources (special teachers and classes) over and above what is given to average students.
5. Every child regardless of ability or handicap should be given the same quality of education as any other child. That is, equal resources (teachers, etc.) for every child.
6. Children with special needs (e.g., the handicapped or learning disabled) should be given additional resources (special classes and teachers) over and above what is given to other students.
7. College educational loans should be awarded on the basis of academic scholarship, (using ACT/SAT scores and H.S. GPA) to determine who qualifies for loans.
8. College educational loans should be awarded in such a way that everyone has an equal chance at receiving one. For example, using some type of a lottery to determine who should get a loan.
9. College educational loans should be awarded solely on the basis of financial need.
10. It has been said "If a man doesn't work, he shouldn't expect to eat, either".
11. Every person deserves three good meals a day.
12. Government should provide food to those who need it most but not to those who can afford to pay for their own.
13. People with the most education (medical doctors, lawyers, Ph.D.'s) deserve higher salaries than those who do not possess those degrees.



14. Everyone deserves to be paid a "living wage" regardless of their education or the type of job they hold.
15. An individual's salary level should reflect his/her family's need for financial resources. For example, enlisted men in the military with children are paid more than soldiers with the same rank who do not have any dependents.
16. Individuals with special talents (athletes, musicians, etc.) deserve the special attention and privileges they receive because of their talents.
17. Everyone deserves the same treatment from others, regardless of their talents and abilities.
18. Special attention and privileges should be provided for the elderly, the sick and the handicapped.
19. People who have worked hard, earned lots of money, are entitled to the nice homes in which they live.
20. Every family should have a decent home even if the government has to build it for them.
21. Larger families deserve larger homes than couples without children.

When sentencing individuals convicted of committing the same non-violent crime, judges should...

22. be allowed to (encouraged) to consider the individual's potential contribution to society. For example, a doctor may be given a lighter sentence for the same crime than a factory worker.
23. be required to give people convicted of the same crime to exact same sentence, regardless of the individual's background.
24. be allowed (encouraged) to consider the effects of the sentence on the individual's health and or the welfare of his/her family.

Teachers should assign grades...

25. based solely on objective measures (test scores, etc.) and those students with the greatest ability should receive the highest grades.
26. based on his/her evaluation of the effort each student put into the work. If every child tried equally hard, every child should receive the same grade, even if some children were more successful than others in learning the material.
27. based on his/her evaluation of what would be the most effective "motivator" for that child. For example, the 'A' student may be given a 'B' to encourage him/her to try even harder, while the 'C' student may be given a 'B' to encourage him/her, and thereby motivating him/her to try harder.

Several people are waiting to receive a liver transplant. How should the doctors decide who should receive the transplant?

- 28. The individual who is able to pay for the expense of the very costly operation.
- 29. The individual who has been in the hospital longest. He is first on the waiting list.
- 30. The individual whom the doctors judge to be most critical.

With a limited amount of money available for current welfare programs, how should the government distribute the financial assistance?

- 31. People whom social workers believe are struggling to finish school and support a family.
- 32. The money available should be divided equally among all the current welfare recipients.
- 33. People whom social workers believe have the greatest financial need.

The president of XYZ Corp. is deciding how to distribute the yearly bonuses to her employees. Which of the following strategies would you recommend?

- 34. Highest bonuses should be given to those individuals with the highest performance evaluations from their supervisors.
- 35. Bonus money should be distributed equally to all workers at all levels of the company.
- 36. Highest bonuses should be given to those employees who have the greatest financial need.

The castle is under siege, food supplies are limited. Food should be given to...

- 37. the soldiers defending the castle. They need nourishment to maintain their strength.
- 38. everyone equally. All citizens should receive some small portion of food.
- 39. children and the sick. Without adequate food they might die.

## **Appendix G: The Demographics Form**

### **Demographic Information**

1. What is your age in years? Please write the number of years below.  
\_\_\_\_\_Years
2. What is your sex?
  - a. Male
  - b. Female
  - c. Prefer not to specify
3. Please indicate your ethnicity
  - a. Black/African American
  - b. American Indian or Alaskan Native
  - c. Asian
  - d. Caucasian
  - e. Hispanic/Latino
  - f. Native Hawaiian or Pacific Islander
  - g. Biracial/Multiracial
  - h. Other
  - i. Prefer not to specify
4. What academic year are you enrolled in?
  - a. Freshman
  - b. Sophomore
  - c. Junior
  - d. Senior
  - e. Graduate
  - f. Other
5. How many jobs have you had
  - a. I have never had a job
  - b. I have had 1 job
  - c. I have had 2 to 4 jobs
  - d. I have had 5 to 10 jobs
  - e. I have had more than 10 jobs
6. If yes, how old were you when you obtained your first job?
  - a. Before 10 years of age
  - b. Between 10 -14 years of age
  - c. Between 15-21 years of age
  - d. After 21 years of age

7. What is the longest time you have worked at any job
  - a. Less than a week
  - b. A few weeks
  - c. 2 months
  - d. 2 months – 6 months
  - e. 7 months – 11 months
  - f. 1 year – 2 years
  - g. Greater than 2 years
8. Do you currently have a job?
  - a. Yes
  - b. No
9. If yes, approximately how many hours a week do you work?
  - a. < 10 hours
  - b. 10-19 hours
  - c. 20-29 hours
  - d. 30-39 hours
  - e. 40+ hours
10. What is your position title?  

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11. How long have you been in that position?
  - a. Between 0 - 6 months
  - b. Between 7 -11 months
  - c. Between 1 - 2 years
  - d. Between 2 - 5 years
  - e. More than 5 years
12. Do you discuss pay with coworkers?
  - a. Yes
  - b. No
  - c. I don't know
  - d. I don't have coworkers
13. If yes, do you bring up the conversation about pay freely or are you more secretive about it?
  - a. Freely
  - b. Somewhat freely
  - c. Somewhat secretive
  - d. Secretive

e. I don't bring it up

14. Are you familiar with companies that have pay secrecy policy?

- a. Yes
- b. No
- c. Not sure

15. Is it legal to be fired for discussing pay?

- a. Yes
- b. No
- c. It depends on the company's policy

16. Do you know of anyone that has been threatened to be fired if they discuss pay?

- a. Yes
- b. No

17. Do you know any companies that have a pay secrecy policy?

- a. Yes, definitely
  - i. Which companies have a pay secrecy policy?
- b. Yes, I think
  - i. Which companies do you think have a pay secrecy policy?
- c. No, probably not
- d. No, definitely not
- e. Never heard of it