THE DEVELOPMENT OF MIDDLE MANAGERS’ JUSTICE PERCEPTIONS

Keywords: Justice Perceptions, Middle Managers, Fairness Theory
ABSTRACT

Prior research in the field of organizational justice has primarily focused on the specific justice dimensions and their impact on individual workers. The current study takes a new direction by examining justice perceptions in a previously unexamined group, middle managers. The middle management group is critical to the organization performing a “linking pin” role simultaneously representing the interest of the organization and their subordinates. As organizations have become flatter and more decentralized, the middle management group has taken on more responsibilities, which allows them to influence the organization in a variety of ways. Previous research has indicated that the middle management groups’ perceptions, behaviors, and interactions can have influence on both employees and senior leaders. Because justice perceptions are strongly linked to key organizational behaviors and attitudes, understanding how middle managers’ perceptions are influenced can give organizations insights into how to keep this valuable group committed to the strategies and initiatives of the organization. The current research utilizes two studies to examine how a managers’ agreement with a decision outcomes and how employee perceptions of procedural justice impact the managers’ perceptions of distributive, procedural, and overall justice in situations where the decision made by upper management doesn’t impact the manager directly. Results indicate that decision agreement and employee justice perceptions influence managers’ justice perceptions.
Introduction

Past organizational behavior research has examined the concept of organizational justice in a broad manner including how individual justice perceptions are formed (Naumann & Bennett, 2000; Schminke, Ambrose, & Cropanzano, 2000), how justice interacts and influences groups (Olkkonen & Lipponen, 2006; Tyler & Blader, 2003), how employees react to mistreatment by their employers or the employers’ agent (Greenberg, 1990; Tepper, 2001), and the impact justice perceptions have on specific outcomes (Brockner & Wiesenfeld, 1996; Masterson, Lewis, Goldman, & Taylor, 2000). Such justice research has tended to use front-line employees as the primary focus with less effort typically directed at understanding the justice perceptions of individuals at other levels of the organization. For example, middle managers reside in a unique position within the organization maintaining access to the top management team (TMT) and upper echelons of management, while also having the closest working relationship with the majority of employees (Mintzberg, 1990).

Unlike front-line employees or the TMT, the middle managers’ organizational position affords them a unique opportunity to view corporate decisions from a multi-faceted perspective (Harding, Lee, & Ford, 2014; Maitlis & Christianson, 2014). Thus, they are able to see decisions from the viewpoint of the management team, but also as representatives of their employees while still cognitively processing their own individual thoughts and concerns about the appropriateness of a decision made by upper management (Beck & Plowman, 2009). As a result of their position within the organization, middle managers have one of the most complete views regarding decision-making activities of an organization and how the various groups and individuals respond to the decisions. While the participation of middle managers’ in developing and
implementing corporate decisions has been examined (Clair & Dufresne, 2004; Dewitt, Trevino, & Mollica, 2003; Folger & Skarlicki, 1998; Molinsky & Margolis, 2005), missing from prior research is the potential impact that implementing such corporate decisions can have on the justice perceptions of these middle managers. We argue that these justice perceptions are unique from that of the front-line employees, and thus worth examining in a separate context, based on the managers’ ability to consider information from all levels of the organization, their unique third-party role in the implementation process, and the expectations of implementation conveyed upon them from the TMT and their employees.

The middle management group plays a vital role in the organization’s functional operations, and keeping this group committed to the strategies of the firm is an important task (Guth & MacMillan, 2006). Results have shown that when individuals are highly committed to the firm, they identify with the goals and objectives of the organization and are motivated to perform at a high level in achieving goals (Mowday, Steers, & Porter, 1979). Research has supported the idea that justice perceptions strongly influence these levels of commitment, whether the employee is a front-line employee or leader (Brockner, Grover, Reed, DeWitt, & O'Malley, 1987; Folger & Konovsky, 1989). Because research has shown that an individual’s perception of fairness impacts organizational commitment and several other global attitudes (Cropanzano, Prehar, & Chen, 2002; Gerstner & Day, 1997; Graen & Uhl-Bien, 1995; Schaubroeck, Lam, & Peng, 2011), understanding how managers’ fairness perceptions are formed is critical.

The current study will examine two factors that impact middle managers’ fairness perceptions when implementing corporate decisions that do not impact them directly: managers’
level of agreement with the decision outcome and their employees’ perceptions of procedural justice. The managers’ position within the organization gives them the opportunity to evaluate decisions based on information received from broad, diverse sources within the environment. This environmental information, as well as the managers’ values and beliefs, influences their level of agreement with a decision outcome. For example, a low level of agreement with a decision outcome may produce feelings of dissonance leading to thoughts of a more desirable alternative outcome leading to lower perceptions of distributive and procedural justice.

Since middle managers work in close proximity with the majority of employees and their employees are an important part of the managers’ environment, an important contribution of this study is to determine how the procedural justice perceptions of middle managers’ employees influence the development of the managers’ distributive and procedural justice perceptions. While previous research has examined how managers’ justice perceptions trickle-down to influence their employees’ perceptions (Masterson, 2001), the current model will examine how the employees’ procedural justice perceptions can flow up to impact managers’ distributive and procedural justice perceptions. Research on third-party justice perceptions has indicated that how others within an individual’s social-network are treated can impact the third-parties justice perceptions (Lamertz, 2002). Because managers are expected to represent the organizational unit (Mintzberg, 1990) and the employees are part of their environment, the perceptions of their employees can have an impact on how managers perceive the fairness of a decision.

In addition to expanding the understanding of how implementing corporate decisions can impact middle managers’ views of specific justice dimensions, the current study also takes a look at overall justice. Research has indicated that while the specific justice dimensions contribute to
the development of overall fairness perceptions, overall fairness is not just the cumulative effect of the specific justice dimensions but rather a distinct dimension related to specific, global outcomes (Jones & Martens, 2009). Returning to early research in the organizational justice domain, which suggested that overall justice is framed by distributive and procedural justice rules (Leventhal, Karuza, & Fry, 1980), there has been a growing interest in how the specific dimensions of justice influence the development of overall justice perceptions. While the specific dimensions contribute to the development of overall justice perceptions, recent studies have argued that overall justice perceptions are a separate, distinct dimension of justice, which provides a more parsimonious approach to examining justice that can expand the areas in which justice is examined (Ambrose & Schminke, 2009).

The current study endeavors to expand the knowledge of overall justice by examining overall justice perceptions of middle managers. Because recent studies have begun examining the role that the specific types of justice play in influencing overall justice perceptions, the study also examines the role that distributive and procedural justice perceptions play in mediating the relationship between the managers’ level of outcome decision agreement, employees’ perception of procedural justice, and managers’ overall justice perceptions.

**Theoretical Background and Hypotheses**

*Justice Perceptions*

Given the strong link between justice perceptions and key organizational behaviors and attitudes (Colquitt, Conlon, Wesson, Porter, & Ng, 2001) and that the perceptions of middle managers have been shown to be influential throughout the organization, understanding how middle managers’ perceptions are influenced can give insight as to how to improve
organizational effectiveness. The current study will focus on three aspects of justice perceptions: distributive justice, procedural justice, and overall justice. Since the study is examining how the manager responds to the decision outcome and the perceptions of their employees and not how the direction was given to the middle management group, interactional justice was not included.

Distributive justice is focused on the fairness of resource distributions where outcomes are disproportionate to some perceived standard (Adams, 1963; Homans, 1961; Leventhal, 1976a). When an individual perceives an inequity, cognitive dissonance is introduced and behavior will change in some way in order to change the level of inputs received (Greenberg, 1990). Research has indicated that distributive justice has strong effects on attitudes about specific personal-referenced outcomes such as pay (Folger & Konovsky, 1989), satisfaction (Sweeney & McFarlin, 1993), turnover intentions (Hendrix, Robbins, Miller, & Summers, 1998), workplace sabotage (Greenberg, 1990), and organizational citizenship behavior (Cohen-Charash & Spector, 2001). When individuals perceive inequity not in their favor, results indicate a rise in negative behaviors such as workplace sabotage (Ambrose, Seabright, & Schminke, 2002) and employee theft (Greenberg, 1993).

Procedural justice focuses on the fairness of the decision-making procedures that lead to outcomes and attempts to understand how the process is defined and implemented (Leventhal, 1976b; Leventhal et al., 1980; Thibaut & Walker, 1975). Research has defined six core criteria that help to determine whether a decision has been made with fair procedures as consistent application, absence of bias, accuracy, ability to correct, ethical nature, and ability to input or representativeness (Leventhal, 1980). Decisions made consistent with these criteria are more likely to be considered fair and have the “fair process effect” (Cropanzano, Bowen, & Gilliland, 1993).
The “fair process effect” describes the power that procedures have in mitigating the negative effects of undesirable outcomes. Results have shown that when people perceive that the process used to make a decision is fair, they are more accepting of a decision’s negative outcomes (Brockner et al., 1994; Sweeney & McFarlin, 1993; Van den Bos, Vermunt, & Wilke, 1997). Research has found links between procedural justice and organizational commitment, counterproductive work behaviors, job performance, and evaluations of supervisors with results indicating that procedural justice is an important predictor of outcomes related to evaluating an organization or its representatives (Folger & Konovsky, 1989; Konovsky, 2000; McFarlin & Sweeney, 1992). An environment with a high perception of procedural justice has been shown to influence individuals’ perceptions of their leadership, their organization and their willingness to follow the leader’s rules and directions (Colquitt, 2001; Lind, 1995).

Early research has suggested that overall fairness has been framed by distributive and procedural rules (Leventhal, 1980; Leventhal et al., 1980) and that procedural justice has played an equal role with distributive justice in determining overall justice judgments (Lind & Tyler, 1988). Lind (2001) has said “people can certainly distinguish between different types of justice, in the sense of giving distinct and distinguishable responses to questionnaire items asking about distributive justice, procedural justice, or interactional justice, the real impact of justice judgments depends on a more general overall perception of the fairness of a given relationship” (p.221). Research has indicated that while the specific justice dimensions contribute to the development of overall fairness perceptions, overall fairness is not just the cumulative effect of the specific justice dimensions but rather a distinct dimension related to specific, global outcomes (Jones & Martens, 2009).
A growing number of studies have suggested that overall fairness judgments may provide a more complete understanding of the justice construct and may capture an individual’s justice experience more accurately (Ambrose & Arnaud, 2005; Hauenstein, McGonigle, & Flinder, 2001; Lind, 2001b). It has also been suggested that when individuals form impressions of justice, they make holistic judgments using whatever relevant information is at hand (Greenberg, 2001) and that victims of injustice don’t worry about types of justice but rather their general experience (Shapiro, 2001).

*Justice Perceptions of Middle Managers*

While the TMT, or upper echelon, is seen as the senior executives who make up the organizations’ dominant coalition (Carpenter, Geletkanycz, & Sanders, 2004) middle managers have been viewed as the managers located below the TMT all the way to first-level supervisors in the organization (Dutton & Ashford, 1993). Since the current study is focusing on the managers’ attitudes during the implementation process, the definition of middle managers for this study has been narrowed to focus on first level managers that have direct responsibility for overseeing front-line employees.

The middle management group is critical to the organization performing a “linking pin” role simultaneously representing the interest of the organization and their subordinates (Likert, 1961), acting as order-giver and order-taker (Ghidina, 1993) and subordinate and superior (Graen & Scandura, 1987). Recent research has labeled their role as both controllers and controlled while also possibly being a resister or resisted (Harding et al., 2014). The dual roles that middle managers are asked to fulfill in the organization can lead to potential conflicts of interest, both within middle managers themselves and between the managers, their employees, and the upper
level of the organization (Floyd & Wooldridge, 2000). Middle managers are expected to represent corporate decisions to different audiences even when they may disagree with the story they are telling or when the decision complicates their role in the organization. As Sims (2003) has said, “middle managers have no right to silence, and instead are forced to give voice even if they have no conviction in what they are saying” (p. 1209).

Research has indicated that the middle management groups’ perceptions, behaviors, and interactions can have influence on both employees and senior leaders. Results have shown that managers’ view of justice can trickle down to influence the justice perceptions of their employees (Masterson, 2001), that their behaviors can influence team trust, attitudes, and performance (Gerstner & Day, 1997; Graen & Uhl-Bien, 1995; Schaubroeck et al., 2011), and influence development of strategy through their interaction with the TMT (Raes, Heijltjes, Glunk, & Roe, 2011). Due to middle managers’ influence in all directions across the organization, they have the power to impact strategies by supporting or accelerating implementation or by negatively impacting implementation or even sabotaging it completely. Research has indicated that managers may be resistant to new strategies if they perceive the strategy to be flawed, not in their best self-interest, or not aligned with their goal (Guth & MacMillan, 2006).

Research examining middle managers’ reactions to implementing corporate initiatives has generally been focused on situations involving employee layoffs (Clair & Dufresne, 2004; Dewitt et al., 2003; Grant, Molinsky, Margolis, Kamin, & Schiano, 2009; Molinsky & Margolis, 2005). While layoffs continue to be pervasive due to the ongoing changing economic environment, the current study proposes that the justice perceptions formed by middle managers
in non-crisis working conditions should also be examined. The different roles that these managers play means that they are frequently involved in situations in which they must implement upper echelon decisions that produce emotional reactions in both the manager and employees (Izraeli & Jick, 1986). Such implementations can happen quite frequently and aren’t always the results of a crisis. While not always directly impacted by a decision, managers’ still perform a sense-making process to understand their own emotions and environment (Balogun & Johnson, 2004).

*Fairness Theory and Third Party Justice Perceptions*

In order to understand how a middle manager reacts to the different environmental conditions, we utilized Fairness Theory to explain the formation of their justice perceptions. Fairness theory attempts to explain, through the use of counterfactual thinking, when someone will be held accountable for an injustice (Folger & Cropanzano, 1998; Folger & Cropanzano, 2001). Counterfactual thinking is a cognitive process whereby an event is undone by imagining the outcome in a more favorable state of affairs (Roese, 1997) or more simply, is the perception of what might have been (Colquitt, Greenberg, & Zapata-Phelan, 2005). Folger and Cropanzano (1998) argued that counterfactual thinking can be activated by any event and can be triggered by expectations, experiences, or social comparisons. Individuals experience dissonance whenever their knowledge or beliefs are inconsistent with one another, which may motivate the individual to reduce the perceived discrepancy by changing attitudes, behaviors, or values (Folger & Cropanzano, 1998). For an event to be perceived as unfair, the affected individuals must be able to imagine a better, alternative outcome. The magnitude of the dissonance between their actual experience and the imagined outcome will indicate the level of harm that is perceived to have
been experienced (Nicklin, Greenbaum, McNall, Folger, & Williams, 2011). Since fairness theory can be used to explain the development of justice perceptions across all dimensions, this study will utilize the theory to explain the relationship between the situational variables and the specific justice dimensions.

Skarlicki and Kulik (2005) have proposed that while fairness theory has generally applied to two-party interactions, third party counterfactuals can be driven similarly as two-party counterfactuals. They define third parties as “individuals who form impressions of organizational justice often based upon an indirect and vicarious experience of an organizational event” (p. 184) that come from an individual’s social network or environment. When an individual has perceived that another individual has been treated unfairly, whether for self-interest or in violation of moral norms, this perception can trigger the sense-making process in which the third party develops a perception of whether the outcome is fair. It has been argued that injustice perceptions will be strongest when the third party believes that the victim could and should have been treated differently. As situations can be complex, the social environment is a critical source of information that provides cues, which individuals use to interpret events and develop their attitudes (Salancik & Pfeffer, 1978). The social context can influence the development of attitudes and perceptions by providing direct feedback, helping focus an individual’s attention on the most salient information, providing help on interpreting environmental cues, and communicating which needs are important.

*Level of Agreement with Decision Outcome*
When a decision is made by the TMT or members of the upper echelon and delegated to middle management for implementation, the level of management agreement with the decision may not be considered by the TMT. Major strategic changes or initiatives that address poor financial performance can be held within a small circle of leaders due to the sensitive nature of the decisions or possible legal implications. For example, Security Exchange Commission (SEC) regulations regarding disclosure in publicly held firms can prevent an organization from including too many people in a decision process as it can violate market communication guidelines if the impact of the decision has a material impact on the organization’s financial state (McCarthy, 2003). Employee reductions, benefit or pay changes, or facility closings may be considered material changes in a business, and broad discussion of these decisions in a broad audience may be in violation of SEC regulations regarding disclosure of non-public information.

Even in situations where there is no direct impact to them, middle managers involved in the implementation of a corporate decision will determine their own level of agreement with the decision. The intensity of such agreement may impact their perception of the distributive justice of that decision. While the process used by the TMT to make the decision could be examined in relation to managers’ procedural justice perceptions, in many instances managers may have a high level of disagreement regarding a decision outcome even when they have positive perceptions regarding the procedural justice of the decision. Thus, this study examines the link between managers’ level of decision agreement and their justice perception.

While fairness theory is generally applied to individuals that are the direct recipient of the decision outcomes (Folger & Cropanzano, 1998; Folger & Cropanzano, 2001), Skarlicki and Kulik (2005) have posited that the general principles also extend to third-party cases.
parties form their perceptions of justice based on direct and indirect experiences and information. The managers have close proximity to the parties and issues surrounding a decision outcome during the implementation process which gives them an opportunity to gather information from a wide array of sources. Additionally, while they may not be directly impacted by the decision, due to the fact that they are the primary implementers and will receive feedback from the effected parties, there is some degree of experiential impact. When managers develop a strong level of disagreement with a decision outcome, their negative perceptions can trigger a sense-making process utilizing the same three counterfactuals associated with the two-party assessment (Skarlicki & Kulik, 2005). Thus, managers’ proximity to the decision outcomes and participation in the implementation process suggests that fairness theory can still be applicable.

In forming their level of agreement with a decision outcome, managers may examine their level of agreement with the strategy, their comfort with the perceived harm, their perception of the legitimacy of the decision, their agreement with the expected benefits, and the identity of the target of the decision (e.g. Molinksy & Margolis, 2005). Because of their dual roles and their direct involvement in the implementation process, managers may experience internal dissonance when they have a strong level of disagreement with the decision as it may produce inconsistent opinions, behaviors, or beliefs (Festinger, 1957). When the managers are expected to implement the decision, their level of dissonance can lead to rationalized behaviors and self-justification which can lead to a reappraisal of motives and attitudes (Lowell, 2011) or lead to behaviors which negatively impact the implementation of the decision (Guth & MacMillan, 2006). The high levels of dissonance that managers experience when there is disagreement with a decision outcome are likely to lead an individual to consider the fairness of the decision activating the
counterfactual thinking process since counterfactual thinking is most often triggered by negative emotional experiences (Roese, 1997) and when people perceive the harm as severe (Seelau, Seelau, Wells, & Windschitl, 1995). Managers may begin to consider whether a different, more desirable outcome could have been possible, leading to lower perceptions of distributive and procedural justice as their level of agreement with the decision outcome decreases. Based on fairness theory and the creation of counterfactual assessments, the following relationships are proposed:

**Hypothesis 1a** – As middle managers’ level of agreement with the corporate decision decreases, his/her perceptions of distributive justice will decrease.

**Hypothesis 1b** – As middle managers’ level of agreement with the corporate decision decreases, his/her perceptions of procedural justice will decrease.

*Influence of Employee Perceptions*

Anyone within an individual’s social network can be viewed as a potential third party. While managers are not typically considered a third party to their employees, their participation in the implementation of a corporate decision gives them the opportunity to form opinions about a decision based on the same factors that are used to interpret decisions by more traditionally defined third parties. Research has supported that the environment provides information that is used to interpret events and can influence perceptions of outcome negativity (Brockner et al., 1987).

Salancik and Pfeffer (1978) have argued that individuals adapt attitudes and behaviors to their social context and to the reality of their own past and present behaviors and situations. As facts can sometimes be hard to obtain and situations complex, the social environment is a critical
source of information that provides cues which individuals use to interpret events and develop their attitudes. Thus, when managers are implementing corporate decisions that have no impact on them, they will scan the social context and environment for cues as to how others perceive the situation. How others within their environment are discussing the decision, the identification of information that is salient to the outcome, and the cues the environment provides regarding the meaning of the decision will all influence the development of their perceptions (Salancik & Pfeffer, 1978). Since middle managers are usually structurally closer to their employees and make up a part of the managers’ environment, they are likely to be more attuned to their employees’ emotions and perceptions and will become a part of the environment that managers use to interpret how fairly they view the situation (Huy, 2002). Thus, the following relationship is hypothesized:

*Hypothesis 2a – As their employees’ perceptions of procedural justice decrease, the distributive justice perceptions of middle managers will also decrease.*

*Hypothesis 2b – As their employees’ perceptions of procedural justice decrease, the procedural justice perceptions of middle managers will also decrease.*

**Overall Justice Perceptions**

A gap within the current research is how the overall fairness perceptions of middle managers are influenced in the normal course of performing their roles. As research has indicated that the middle manager role is critical for organizational success (Guth & MacMillan, 2006) and that overall justice perceptions impact key behaviors and attitudes (Ambrose & Schminke, 2009; Jones & Martens, 2009; Marzucco, Marique, Stinglhamber, De Roeck, & Hansez, 2014), understanding more fully how managers’ overall justice perceptions are
influenced can provide insight into this important group. Since the proposed model has posited that managers’ level of agreement with a decision outcome and the employees’ view of procedural justice will influence the managers’ level of distributive and procedural justice perceptions, the literature suggests that middle managers’ overall perceptions of justice will be similarly influenced by the specific justice dimensions (Ambrose & Schminke, 2009; Jones & Martens, 2009; Marzucco et al., 2014). As results from previous studies have indicated, specific justice dimensions directly influence overall justice perceptions (Ambrose & Schminke, 2009; Jones & Martens, 2009; Marzucco et al., 2014), this suggests that the specific justice dimensions will mediate the relationships between the antecedents and managers’ overall perception of fairness. Prior research regarding overall justice perceptions has indicated that the use of this construct is valuable in understanding how justice perceptions impact other key organizational behaviors (Ambrose & Schminke, 2009; Jones & Martens, 2009) and that the use of the specific justice components of fairness have provided meaning only when considered in relation to the overall fairness of the situation (Törnblom & Vermunt, 1999). As individuals react to decisions, they will use whatever information is salient and available to form their overall justice perceptions whether that is based on outcomes, process, or interactions (Greenberg, 2001). Thus, the following relationships are hypothesized:

*Hypothesis 3a - Middle managers’ perceptions of distributive justice will mediate the relationship between middle managers’ level of decision agreement with a decision outcome and middle managers’ overall justice perceptions.*
Hypothesis 3b - Middle managers’ perceptions of procedural justice will mediate the relationship between middle managers’ level of decision agreement with a decision outcome and middle managers’ overall justice perceptions.

Hypothesis 4a - Middle managers’ perceptions of procedural justice will mediate the relationship between the employees’ perception of procedural justice and middle managers’ overall justice perceptions.

Hypothesis 4b - Middle managers’ perceptions of distributive justice will mediate the relationship between the employees’ perception of procedural justice and middle managers’ overall justice perceptions.

Data to test the model were collected via two different experimental studies. Study 1 was conducted in a field setting and utilized a group of middle managers from a functionally operating organization while Study 2 was in a controlled setting and utilized a group of graduate level business students. Since Study 1 used managers in an active organizational environment and research has indicated that many environmental factors can influence overall justice perceptions (Ambrose & Arnaud, 2005; Leventhal, 1980; Lind, 2001a), overall justice perceptions were not measured for these participants. It would have been uncertain that overall justice, if measured in this setting, would have been related to the manipulated conditions or to managers’ overall experiences within the organization.

Study 1

Method - Sample and Procedure

The participants for Study 1 were middle managers of a medium sized software services firm located on the east coast of the United States. The company has 5,600 employees and a
market capitalization in excess of $10 billion. In order to develop test scenarios that would be timely and relevant to the management participants, the scenarios were developed in conjunction with the organization’s Human Resources Department. At the request of management, a fictional organization was used in the scenarios in order to not cause internal disruptions.

Two different workplace scenarios were developed with each scenario describing the organization, the issue being addressed, the process used to make the decision, the decision to be implemented, and the employees’ reaction to the decision (see Appendix A for a sample scenario). Participants were randomly assigned a different set of conditions within a scenario with the employees’ procedural justice perceptions of the decision being manipulated. The decision agreement condition in the study was not manipulated but rather measures whether the participant agreed or disagreed with the decision presented.

The organization distributed 400 e-mails from the CEO to the targeted manager group generating 97 completed surveys, representing a response rate of 24%. The demographics for the participants were young (70% < 45 years of age), male (81%), college educated (84% college degrees or higher), and Caucasian (> 80%). After checking for the success of the manipulation, the final sample size was 80. All responses were gathered via the Qualtrics online data gathering system. Each participant was given a link to a random scenario. Before reading the scenario, they were instructed to put themselves in the role of the manager in the situation. After reading the scenario they were then asked a series of questions regarding their perceptions of the situation.

Measures

Distributive and procedural justice perceptions were measured utilizing direct indicator items that were modified from their original state (Earley & Lind, 1987; Lind & Tyler, 1988).
The distributive justice construct included 3 items and was measured by a seven point Likert scale ranging from “strongly disagree” to “strongly agree.” An example of the items used to measure distributive justice is “The leadership team made a fair decision.” The procedural justice construct included 3 items and was measured by a seven point Likert scale ranging from “strongly disagree” to “strongly agree.” An example of the items used to measure procedural justice is “The process used by the management team to make the decision was fair.”

Results

Table 1 gives the descriptive statistics, correlations, and reliability statistics of the study’s measure. Results indicate strong internal reliability for both measures (distributive justice, $\alpha = .82$, procedural justice, $\alpha = .93$). To examine hypotheses 1a, 1b, 2a, and 2b we conducted a 2 X 2 multivariate analysis of variance (MANOVA) using the Wilks' Lambda criteria on the two dependent variables to analyze the data (Table 2). We found the predicted main effect of decision agreement at both the multivariate and univariate levels: multivariate $F(2,75) = 21.21, p < .001$, univariate for distributive justice $F(1,76) = 42.46, p < .001$; univariate for procedural justice $F(1,76) = 10.87, p < .01$.

When examining the predicted main effect of employee perception of procedural justice, we found the predicted main effect at the multivariate and for one dependent variable at the univariate level: multivariate $F(2,75) = 4.62, p < .05$; univariate for procedural justice $F(1,76) = 9.34, p < .01$; univariate for distributive justice was not significant.

The interaction between decision agreement and employee perception of procedural justice was not significant at the multivariate level, $F(2,75) = 2.29, p = .109$, or at the univariate level for distributive justice, $F(1,76) = .327, p = .569$. Results show the interaction was
significant for procedural justice, (Wilks' Lambda) $F(2,75) = 4.53, p < .05$. These analyses provide initial support for hypotheses 1a, 1b, and 2b. While not hypothesized, results indicate that there is an interactive effect between decision agreement and employee perception of procedural justice on managers’ perception of procedural justice. This interaction accounted for 5.6% of the variance in manager’s perception of procedural justice.

While Study 1 examined the influence that decision agreement and employee perceptions of procedural justice had on managers’ distributive and procedural justice perceptions, we did not measure overall justice perceptions due to the environment of the participants. Study 1 participants were all from the same organization and we felt that their perceptions of their own workplace may interfere with their overall justice perceptions described in the scenario. As the environment in Study 2 allowed for a high degree of control in terms of manipulating the independent variables, we felt more comfortable expanding the model to measure overall justice perceptions. Performing a second study allowed us to replicate the findings from the first study as well as expand the model to include overall justice.

**Study 2**

*Sample and Procedure*

The design and scenarios utilized in the second study closely followed the process used in Study 1. Following Study 1, the scenarios were tested with a small group of participants and found to be usable with a more diverse group of participants. The participants for Study 2 were MBA students attending universities in the southern United States. Individuals were offered the opportunity to win a $50 gift card in return for participating in the study. Utilizing the online survey tool Qualtrics, 113 surveys were completed over a four-month period. After examining
the responses for completed data and validating the manipulation checks, 91 surveys were found to acceptable. The participants were 78% Caucasian, 50% male, 76% junior managers (1-10 years of management experience), with a concentration (66%) between the ages of 26 and 44.

The same measures for distributive and procedural justice were utilized for the second study. Overall justice perceptions were measured with indicator items utilized in previous studies (Ambrose & Arnaud, 2005). The overall justice construct included 4 items and was measured by a seven point Likert scale ranging from “strongly disagree” to “strongly agree.” An example of the items used to measure overall justice is “In general, I can count on my organization to be fair.”

Results

Table 3 gives the descriptive statistics, correlations, and reliability statistics of the study’s measure. Results indicate strong internal reliability for the justice constructs (distributive justice, \( \alpha = .89 \), procedural justice, \( \alpha = .92 \), overall justice, \( \alpha = .93 \)). To examine hypotheses 1a, 1b, 2a, and 2b we once again conducted a 2 X 2 multivariate analysis of variance (MANOVA) using the Wilks' Lambda criteria on the two dependent variables of distributive and procedural justice (Table 4). We found the predicted main effect of decision agreement at both the multivariate and univariate levels: multivariate \( F(2,86) = 36.01, p < .001 \), univariate for distributive justice \( F(1,87) = 65.27, p < .001 \); univariate for procedural justice \( F(1,87) = 24.66, p < .001 \).

When examining the predicted main effect of employee perception of procedural justice, we found the predicted main effect at the multivariate and for one dependent variable at the univariate level: multivariate \( F(2,86) = 3.55, p < .05 \); univariate for procedural justice \( F(1,87) = 6.87, p < .05 \); univariate for distributive justice was not significant.
The interaction between decision agreement and employee perception of procedural justice was not significant at the multivariate level, $F(2,86) = .34$, $p = .716$, or at the univariate level (distributive justice, $F(1,87) = .002$, $p = .965$; procedural justice, $F(1,87) = .600$, $p = .441$). These analyses provide secondary support for hypotheses 1a, 1b, and 2b. Not consistent with the results in Study 1 was the lack of an interactive effect between decision agreement and employee perception of procedural justice on managers’ perception of procedural justice.

In the final set of analyses, we tested the mediation effect of distributive and procedural justice on overall justice as suggested by hypotheses 3a, 3b, 4a, and 4b. Following the Process methodology for parallel mediation (Hayes, 2013) to examine the indirect effect of decision agreement on overall justice, we entered decision agreement as the independent variable, both distributive and procedural justice were entered as mediators, and while controlling for employee perception of procedural justice. The indirect effects were examined by calculating the 95% confidence intervals (CI) of the estimate using 10,000 bootstrap re-samples. Results indicate that the indirect effects of decision agreement via distributive (LLCI = -.7397, ULCI = -.0044) and procedural justice (LLCI = -.7248, ULCI = -.1889) on overall justice were both significant, with neither path being significantly stronger. Thus, hypothesis 3a and 3b were supported.

To examine the indirect effect of employee perception of procedural justice on overall justice, we entered employee perception of procedural justice as the independent variable, both distributive and procedural justice were entered as moderators, and while controlling for manager decision agreement. The indirect effects were examined by calculating the 95% confidence intervals (CI) of the estimate using 10,000 bootstrap re-samples. Results indicate that the indirect effect of employee perception of procedural justice via procedural justice was
significant (LLCI = .0544, ULCI = .4970), supporting hypothesis 4a, while there was not an indirect effect via distributive justice.

Discussion

The lack of examination of this unique perspective that middle managers hold when forming justice perceptions presents an opportunity for addressing gaps within the literature on both organizational justice as well as middle managers. In the two current independent studies, one in a controlled organizational setting and one in a controlled test environment, consistent results were found that indicated managers had higher perceptions of justice when there was a high level of agreement with the decision outcome. Organizations should recognize that when implementing corporate decisions, how middle managers perceive a decision outcome that does not impact the manager directly, may still influence the managers’ perceptions of distributive, procedural, and overall justice and ultimately, their behavior related to communication and implementation of the decision to employees. Since managers can exhibit either agency related behaviors in support of the organization or more self-serving behaviors (Lee & Taylor, 2014), organizations should not assume that managers’ behavior during initiative implementation will be supportive of a decision just because they are a member of the leadership group. These results support the idea that even when operating as a third-party to the development and impact of the decision, how managers perceive the decision outcome is a factor in influencing their justice perceptions. While difficult to insure that managers are always in agreement with a corporate decision, strategies to gain acceptance of the decision by the middle manager group, such as participation in the development of the decision, should be employed whenever possible, especially if the decision is critical to the organization.
Past results in organizational behavior research have supported the idea that justice perceptions trickle-down from higher levels and that how a superior within an organization perceives an issue will influence how their employees perceived the same issue (Masterson, 2001). Results from the current research now indicate that managers’ procedural and overall justice perceptions are also influenced by how their employees’ perceive the procedural justice of a decision. In both studies, managers’ perceptions of procedural justice were lower when their employees had a negative perception of the procedural justice of the decision and higher when the employees had a positive perception of procedural justice. A similar influence was found when examining overall justice. While this outcome does not change the idea that justice perceptions do trickle-down from superiors, it does expand our knowledge about the influences on the middle managers’ justice perceptions by showing that the managers’ justice perceptions can also be influenced from employees below the manager in the organization (i.e., justice perceptions can trickle-up from lower levels). Organizations should understand that how managers’ perceive a decision is influenced by more than just how their superiors view the decision. The environment in which managers work plays an important role in determining their attitudes and behaviors and these results indicate that managers’ employees are an influential part of their environment. Decisions that are perceived as having low procedural justice may have a broader impact than most organizations believe. Since employees, will not always agree with decisions made by the TMT, organizations should take steps to mitigate the potential negative effects of employee perceptions by including managers in the decision making process whenever possible.
Finally the results contribute to the research on overall justice by indicating that distributive and procedural justice mediate the relationship between these two environmental conditions and overall justice. As it has been suggested, when forming justice perceptions, individuals use whatever relevant information is at hand (Greenburg, 2001) and focus more on the general experience rather than specific types of justice (Shapiro, 2001). Utilizing overall justice perceptions may provide a more parsimonious method to measure justice perceptions in certain cases. In our studies, the manager’s agreement with the decision appeared to a strong influence over the specific types of justice as well as overall justice. The employee perceptions of procedural justice did flow upward to influence the manager’s procedural justice perceptions and overall justice but did not influence distributive justice perceptions. It appears that a general focus on overall justice may be appropriate when performing research on outcomes related to middle managers.

Limitations and Future Research

Despite moving the field forward, there are limitations with the current research that should be considered when interpreting the results. First, the organization solicited to be a part of the research expressed concerns about testing the model using a real situation with their employees. A compromise of utilizing a scenario-based approach focusing on a fictitious organization was reached with the participating organization. While scenario based approaches have been used extensively in research (ex. Folger & Skarlicki, 1998, Grant et al. 2009), there can be a loss of realism as the scenario based approach is asking participants to place themselves in a fictitious environment that may not be familiar to them. Likewise, using a real organization
presents constraints that can hinder the use of complex manipulations, as there is a limit to the amount of control over extraneous variation (Cook & Campbell, 1979).

While the current studies utilized a single question in a dichotomous yes/no basis in order to be focused and parsimonious, utilizing one or a combination of the proposed items in a multi-item scale would give the researcher flexibility in measuring the effectiveness and power of the manipulation and would improve the quality of data.

As this research has indicated that employees’ perceptions can influence the perceptions of their managers, future research should examine the relative power of that influence against other areas. For example, is the employees’ influence greater than managers’ own bosses’ influence or that of the TMT?

There also should be examination of potential moderators that could help explain in what situations does the employee perceptions have the greatest influence. The trickle-down theory has been extensively examined and the possibility of a reverse flow deserves more research attention now that organizations have become flatter and engagement with employees has been deemed more important.

Finally, the current study focused on the influences of managers’ justice perceptions, future research should consider the ramifications of this influence. For example, since the middle management group is the primary implementers within the organization, does lower justice perceptions negatively impact their focus or commitment to the implementation of initiatives? Also, now that a linkage between these environmental factors and overall justice has been found, further research should examine the relationship with other behavioral outcomes.
Conclusions

This study establishes a new direction in the field of organizational justice by examining justice perceptions in a previously unexamined group, middle managers. While there has recently been a growing amount of research focused on middle managers as a separate and distinct group from other members of leadership (Gentry et al., 2013; Lee & Taylor, 2014), little focus has been put on justice perceptions. As justice perceptions have been shown to be influential in development of an individual’s attitudes and behaviors, increasing understanding of how justice perceptions in this important group are influenced, may have a positive impact on overall corporate performance.

Overall, these studies contribute to the understanding of the middle management group by identifying how two factors, normally encountered in the work environment, can influence dimensions of justice perceptions. Middle managers have been shown to be an important group of employees and have a variety of responsibilities in an organization. As organizations continue to face economic and cultural challenges in the future, the role of this group of employees will grow in importance. The middle manager’s role representing both the organization and their employees place them at the crossroads of the organization with a great deal of influence. As companies grow and increase the number of employees, the structure of the company often needs to shift to include additional levels of management. Thus, it is hoped that by improving the understanding of this important organizational group, the overall effectiveness of organizations are improved on a broad basis.
References


Tables

Table 1

*Means, SD, Reliabilities, and Correlations*

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*Note:* ***p < .001

Table 2

*Analysis of Variance (MANOVA) Summary for Distributive & Procedural Justice*

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Table 3

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*Note:* ***p < .001

Table 4

*Study 2 - Analysis of Variance (MANOVA) Summary for Distributive, Procedural Justice*

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Appendix A

Sample Scenario

Swingline Services is a national professional services firm that specializes in IT services, strategic planning, change management, quality improvement, and project management. The firm was established twenty years ago and has grown from a small, local partnership in Atlanta to a national firm with over 1,000 employees producing around $450 million per year in revenue.

You are a manager in one of Swingline’s regional offices with responsibility for twenty employees made up of analysts, consultants, programmers, project coordinators, and clerks. You have been with this team for more than two years and have a productive partnership and warm relationship with the employees. You are proud of the accomplishments of the team and have worked hard to ensure that the employees receive the proper recognition. You feel a great sense of pride when one of your employees receives a promotion.

While Swingline has been successful, the market has been demanding more innovation and productivity in order to gain and retain client relationships. To get in front of the issues, the senior management team implemented a process to capture ideas from the middle management group about how to address the market demands. Sessions have been held with the management group to discuss ideas and give feedback to the leadership team. You have been a participant in those sessions and your feedback was received well by the leaders.

After much study and debate, the senior management of the organization has made the decision to eliminate the ability to work from home during normal business hours in order to address the competitive market issues. The policy was first announced to the manager group at a private session and then broadly via a corporate wide memo from the chief executive officer.
detailing the reasons behind the change. The main points of the announcement focused on the organization’s need to increase productivity and innovation. Internal research showed that teams that have all employees in the office have a 25% advantage in productivity and a 20% advantage in client satisfaction. The announcement also acknowledged that people will need time to adjust other parts of their lives to the new policy.

Since managers are required to be in the office each business day, the proposed change **does not directly impact you**. However, the middle manager group will be responsible for implementing the change across the organization.

During a meeting with your team to discuss the proposed changes, they make it very clear that they are **upset** about the way the decision was made. While they can understand the need for productivity and innovation, the employees feel that the basis for the change was incorrect. They dispute the results referenced in the memo and feel that management rigged the numbers to support their position. The employees feel that no consideration was given to how the change would impact their personal life or to how varying client demands impact their schedules. They also feel strongly that they should have been consulted about the proposed change and that a more open process would have produced other initiatives to accomplish the goals.