Journal Title: Journal of Applied Psychology

Volume: 81
Issue: 
Month/Year: 1996
Pages: 52-63

Article Author: Olson-Buchanan

Article Title: Voicing discontent: What happens to the grievance filer after the grievance?

Call #: BF1 .J55

Location: evans

Not Wanted Date: 07/11/2003

Status: Faculty
Phone: 845-9707
E-mail: meb@psyc.tamu.edu

Name: Mindy Bergman

Pickup at Evans

Address:
4235 TAMU
College Station, TX 77843
Voicing Discontent: What Happens to the Grievance Filer After the Grievance?

Julie B. Olson-Buchanan
California State University, Fresno

Previous research has suggested that managers punish grievance filers by giving them lower performance ratings and terminating their employment. A 2-factor between-subjects design (N = 157) was used to examine to what extent these "punishment" effects reflect an actual change in grievances' behavior. Consistent with procedural justice literature, participants who had access to a grievance system were more willing to continue working for the organization. Consistent with a motivation theory, participants who had a basis for dispute had lower objective job performance and were less willing to continue working for the organization. In contrast to previous research, the results provide some support for the exit-voice model. In addition, the results suggest that part of the punishment effects reported in earlier field studies may be due to an actual decrease in the grievances' objective job performance.

Previously, it was assumed that grievance systems provided a fair and productive way to deal with employees' concerns by allowing employees to voice their complaints without risking retribution from management (Lewin & Peterson, 1988). Recently, a few systematic, quantitative studies have focused on the consequences of filing grievances by examining correlations between grievance activity and postgrievance outcomes such as turnover, performance ratings, promotion rates, and absences (Klaas & DeNisi, 1989; Klaas, Heneman, & Olson, 1991; Lewin, 1987; Lewin & Peterson, 1987). Despite the methodological limitations of these studies, results clearly demonstrate that employees risk jeopardizing their jobs as a consequence of filing grievances. These conclusions are contrary to the assumption that grievance systems protect grievance filers from retribution and call into question the appropriateness of such systems for managing disputes in organizations.

In one of the most comprehensive quantitative studies, Lewin (1987) used the exit-voice model and the organizational punishment model to examine the grievance systems in three large nonunion companies over a 3-year period. The exit-voice model (Freeman & Medoff, 1984; Hirschman, 1970) maintains that the opportunity to express complaints through a grievance procedure will lead to an improvement in working conditions as well as an increase in productivity and will prevent employees from leaving the organization. Conversely, the organizational punishment model suggests that individuals who are involved in grievances may be punished for violating the informal rules of the organization (Jones, 1961; Wheeler, 1976). As a result, grievance system usage will be positively associated with turnover and negatively associated with work attendance, performance ratings, and promotion rates.

Lewin's (1987) results supported the organizational punishment model. In the year following the dispute, grievance filers had lower promotion rates, lower performance ratings, and higher turnover rates than nonfilers. This "punishment" effect was greater for those employees who appealed to higher steps within the process or who won their disputes. Other studies have reported similar results (Lewin & Peterson, 1987, 1988).

Because Lewin's (1987) results were based on correlational data, it is difficult to assess the direction (and existence) of causation. Although it may be true that organizations punish grievance filers, it may also be true

Part of this research was funded by a National Science Foundation Graduate Fellowship and is based on my doctoral dissertation in the Department of Psychology, University of Illinois at Urbana-Champaign.

I thank my dissertation chair, Peter Carnevale, and my committee members, Fritz Dragow, Charles Hulin, Carol Kulik, and Lawrence Hubert, for their insights and suggestions. I also thank the undergraduate research assistants at the University of Illinois at Urbana-Champaign for their assistance during data collection and Timothy Buchanan, Constance Jones, and Kathleen O'Connor for their valuable assistance in revising the article.

Correspondence concerning this article should be addressed to Julie B. Olson-Buchanan, Craig School of Business, California State University, 5245 North Backer, Fresno, California 93740-0007. Electronic mail may be sent via Internet to julie Olson@csufresno.edu.

52
that employees' behavior changes as a consequence of grievance activity. Specifically, a grievant's actual or objective job performance may decrease as a consequence of filing a grievance.

In an effort to rule out this alternative explanation, Klaas and DeNisi (1989) conducted a field study in which three variables were used to help control for actual changes in performance: absenteeism, tenure, and the ratio of time spent on primary production activities to the hours spent on other activities. Klaas and DeNisi hypothesized that if managers are punishing grievance filers, then managers should be more likely to react negatively to a personal grievance—one that targets their own actions or decisions—than to an organizational grievance—one that targets a broader organizational policy. Consistent with Lewin's (1987) findings, they found that employees who filed personal grievances had significantly lower performance ratings in the postgrievance period, particularly if the employee won the dispute. Gordon and Bowlby's (1988) survey of grievance filers provides additional support for Klaas and DeNisi's findings in that the type of grievance was related to a subsequent deterioration in relations with the level of management that was responsible for the grievance issue.

Although the studies discussed above have contributed greatly to knowledge of the outcomes associated with grievance system usage, they do not adequately address the possibility that the punishment effect reflects an actual decrease in performance. The variables used by Klaas and DeNisi (1989) to control for objective performance were not strong enough to entirely rule out this alternative explanation because they were not measures of objective performance but rather measures of variables (e.g., tenure) that may or may not covary with actual performance. Furthermore, it would be extremely difficult to obtain the objective and judgmental measures of job performance that are necessary to explore this alternative explanation.

Another limitation of previous research is that all of these studies compared grievance filers with nonfilers who had access to the same voice mechanism and who might or might not have had a similar complaint. To conduct a better test of the exit-voice model, one needs to compare the postgrievance consequences of grievance filers with employees with similar discontent who do not have the opportunity to voice their discontent through a grievance procedure. However, this would be a very difficult comparison to make, because not only would it be difficult to identify individuals with these complaints who choose not to file a grievance but it also would be necessary to find several appropriate organizations that are willing to have employees questioned about possible conflicts with their employers.

A laboratory context offers the control needed to explore these issues. Given that the cited literature is based entirely on field studies, a true experimental design would be a valuable complement. However, grievance filing is a dynamic, complex process, and a laboratory study must be carefully designed to preserve the essential elements of that dynamic process.

Carnevale, Olson, and O'Connor (1992) tested the effect of grievance filing in a laboratory context. The managers in the lab behaved similarly to their counterparts in natural settings when their employee (a confederate) filed a grievance against them. Specifically, managers who received a formal grievance that their employee later appealed were more likely to punish the employee by giving the employee lower performance ratings, fewer rewards for performance, and less desirable job assignments after the grievance. The objective performance of the grievant was held constant because all confederates turned in the same work, in the same handwriting, to the managers.

The results of Carnevale et al.'s (1992) study support the organizational punishment model because managers appeared to punish grievance filers despite the fact that their objective performance was held constant. However, their findings do not speak to the issue of whether employees' performance decreases following a grievance. That is, it may be the case that behavior on both sides of the desk changes as a consequence of filing a grievance. Because a confederate played the part of the employee in Carnevale et al.'s study, it is not known whether an employee's behavior will change as a function of being involved in a grievance.

The present study used relevant research and theory in industrial–organizational psychology, social psychology, and organizational behavior to address several questions about grievance behavior that previous field studies have failed to address. Specifically, this study examined the effects of (a) having access to a grievance system, (b) having a basis for dispute (reason to file a grievance), and (c) grievance filing on job performance and the desire to continue working for an organization. Predictions regarding these issues can be derived from four distinct literatures: procedural justice research; Naylor, Pritchard, and Ilgen's (NPI; 1980) theory of behavior in organizations; exit-voice theory; and past field studies of grievance systems. The predictions that can be derived from these literatures are discussed in the next section.

Access to a Grievance System

According to the procedural justice literature, people are "more interested in issues of process than issues of outcome" (Lind & Tyler, 1988, p. 1). That is, people are very concerned with the fairness of the process that leads to a decision instead of being concerned simply with the
final decision. In this light, researchers have attempted to explain why people may be dissatisfied with the resolution of a particular conflict despite receiving positive outcomes.

A robust finding in this literature is that people react favorably to procedures that allow them to voice their views and opinions and they perceive these procedures as more fair (or higher in procedural justice) than those procedures that do not allow this process control (see Lind & Tyler, 1988, for a review of this literature). Thus, an important determinant of perceptions of procedural justice is the extent to which the procedure allows process control or voice.

Other research has examined the relation between procedural justice and work behavior. Most of these studies have found some support for a positive relation between judgments of procedural justice and performance (Cornelius, 1985; Early, 1984; Early & Lind, 1987). Other researchers have found a negative relation between procedural justice and intention to leave the organization (Alexander & Ruderman, 1987; Alexander, Ruderman, & Russ, 1984; Alexander & Russ, 1985).

Insofar as a grievance system allows employees the opportunity to voice workplace concerns, these findings suggest that employees who have access to a grievance system (and process control) will have higher job performance than those employees who do not. Moreover, employees who have access to a grievance system (and process control) will be less likely to want to leave the organization. These findings led to the first hypothesis:

Hypothesis 1: Employees who have a grievance system available to them will have higher objective job performance and will be more willing to continue working for the organization than will employees who do not have a grievance system available to them.

Basis for Dispute

The NPI theory of behavior in organizations (Naylor et al., 1980) is a comprehensive and complex theory of human behavior. As a result, a complete description of NPI is beyond the scope of this article. Interested readers may refer to Naylor et al.'s book, which describes the theory and its components in great detail.

NPI defines motivation as the process of allocating personal resources (in the form of time and energy) to various acts to maximize anticipated affect. According to NPI, an individual consciously commits resources in a goal-directed manner. The objective, or goal, is to maximize anticipated affect from the individual's point of view. The perception of anticipated events is influenced by past and present events and states through the contingencies.

Although NPI does not directly address the potential effect of conflict on the components of the model, a careful examination of the functions of the model's components suggests several predictions. An abbreviated description and analysis of how the basic needs, affect, and contingency components could be affected by conflict follows.

The basic needs are considered to be the driving force of the motivation process. According to NPI, an individual's needs may change, particularly if the stimulus from the environment changes. NPI asserts that receiving an outcome may increase an individual's need for that outcome. For example, an individual may have an increased need for autonomy after experiencing some autonomy on the job. Conflict may do the same thing but in the opposite direction. Thus, it could be argued that conflict is likely to change the basic needs component because the individual may develop a need for a return to harmony. This new need for harmony could serve as a powerful force for behavior until the conflict is resolved and harmony is restored. If resolving the conflict seems highly unlikely, the employee may attempt to limit interaction with the conflicting party or may attempt to permanently change his or her job. These possible actions are consistent with Kolb's (1989) description of how organizations tend to avoid and deny conflict.

Conflict can directly influence the affect component in that it is likely to result in negative affect (Steigleder, Weiss, Cramer, & Feinberg, 1976). This negative affect may be associated with whatever caused the conflict or perhaps with the other party involved.

Contingencies are “complex sets of perceptions (or cognitions or belief states)” (Naylor et al., 1980, p. 38). Conflict can potentially affect all three major sets of contingencies in the NPI model. The act-to-product contingency is the individual's subjective conditional probability that “a given act will result in a given product” (Naylor et al., 1980, p. 18) or level of performance. This contingency is likely to be negatively affected by conflict in situations where the conflict is between individuals whose jobs require cooperation with each other in that the conflict would impede productivity. Similarly, a conflict with a supervisor who has control over equipment or assignments may result in the subordinate receiving inferior equipment and less desirable assignments. Consequently, employees would see a weaker relation between the acts they perform and the products they create.

Conflict similarly affects the other two contingencies. The product-to-evaluation contingency is the subjective conditional probability that a certain product (or level of performance) “will result in a given evaluation on the part of some evaluator” (Naylor et al., 1980, p. 18). This contingency is most likely to be negatively influenced when the conflicting party has power or control over the formal evaluation instrument. For example, an employee
may believe that a conflict with his or her supervisor will negatively affect the supervisor's evaluation of his or her performance, in that the conflict will inadvertently cloud the supervisor's judgment or the supervisor may use the evaluation as a retaliatory tool. This prediction is consistent with Klaas and DeNisi's (1989) findings.

Similarly, the evaluation-to-outcome contingency is the individual's subjective conditional probability that a "given evaluation will result in a given outcome" (Naylor et al., 1980, p. 18). This contingency is likely to be adversely affected by conflict when the conflicting party has power over the individual's outcome distribution. As a result of conflict, the employee may feel that it will take a higher evaluation to receive a certain desired outcome (such as a raise) or that there is no relation between the evaluation and receiving the desired outcome.

Thus, these components could change as a result of conflict and would ultimately affect the individual's behavior. A conflict situation would change the individual's basic needs, causing need-specific arousal and thereby creating a motivating force. An employee involved in a conflict with a supervisor is likely to perceive a weaker relation between his or her actions and the rewards received by the supervisor and will change his or her behavior accordingly. Thus, NPI predicts the following hypothesis:

_Hypothesis 2:_ Employees who have a basis for dispute (reason to file a grievance) will have lower objective job performance and lower contingencies and will be less willing to continue working for the organization than will employees who do not have a basis for dispute.

**Grievance Filing**

The exit-voice model is based on Hirschman's (1970) economic discussion of the two ways in which management can find out about an organization's shortcomings or deterioration in performance from customers: exit and voice. This model has been extended to include members of an organization (Freeman & Medoff, 1984). Freeman and Medoff argued that employees may signal serious problems to an organization in one of two ways: (a) by exiting (i.e., quitting their jobs) or (b) by using the voice option (e.g., complaining directly to their supervisors). Some of the research associated with the exit-voice model suggests that formal grievance procedures act as voice mechanisms to organizational members. According to the model, employees who have some type of conflict or complaint and who voice their protest through a grievance procedure will have higher productivity and lower turnover than employees with similar conflicts who do not have grievance systems. The exit-voice model provides the basis for the third hypothesis:

_Hypothesis 3:_ Grievance filers will have higher objective job performance and will be more willing to continue working for the organization than will employees with similar complaints who do not have a grievance system available to them.

Hypothesis 3 examined a subset of the first hypothesis and implied that employees who have access to a grievance system and actually use it will score higher on the dependent variables than will employees who have a reason to file a grievance but do not have access to a grievance system. Hypothesis 1 was concerned with the time before and after the dispute manipulation is in effect, and Hypothesis 3 was concerned with only the time period after the dispute manipulation is in effect. Thus, although the two hypotheses were related to each other, the third hypothesis was different than the first hypothesis in that Hypothesis 3 was concerned with the benefits of having access to and using a voice mechanism when there is cause to do so.

The next two hypotheses are related to each other and were derived from the existing literature on grievance systems that was discussed earlier. Results from field studies have indicated that grievance filers appear to be punished by the organization for engaging in grievance activity. An alternative explanation for the punishment effects found in previous field studies is that they can be traced to actual differences in behavior between employees who file grievances and those who do not. This alternative explanation was examined in Hypothesis 4, with the same comparison groups and the same time periods that were used in the field studies, and compared grievance filers with all nonfilers who had access to a grievance system, regardless of whether the nonfilers had a reason to file a grievance.

_Hypothesis 4:_ Grievance filers will have lower objective job performance in the postgrievance period and will be less willing to continue working for the organization than will nonfilers (who have access to a grievance system and who may or may not have a reason to file a grievance).

Finally, the last hypothesis was a further refinement of Hypothesis 4. Previous research has not explored to what extent the punishment effects could be attributed to the dispute that precipitated the grievance filing as opposed to the activity of grievance filing. Thus, another explanation for the results from the field studies is that the punishment effects reflect an actual difference in objective performance and desire to continue working for the organization that is associated with grievance activity. That is, the postgrievance behavior of grievance filers is different than the behavior of nonfilers who had reason to file a grievance but chose not to do so. This alternative explanation was examined with subsets of the comparison groups that were used in the field studies (and in Hypothesis 4).
Hypothesis 5: Grievance filers will have lower objective job performance in the postgrievance period and will be less willing to continue working for the organization than will individuals who had the same reason to file a grievance but chose not to do so.

Together, Hypotheses 4 and 5 imply that nonfilers (regardless of whether they have a reason to file a grievance) and a subset of nonfilers (those who do have a reason to file a grievance) will score higher on the dependent variables than will grievance filers.

Overview

The purpose of the present study was to empirically test these different predictions in a controlled laboratory context that allowed the manipulation of the presence of conflict and the presence of a grievance procedure. Participants acted as employees of a fictitious weekly college magazine. Two independent variables were manipulated: (a) the existence of a basis for dispute (dispute present or dispute absent) and (b) the presence of a grievance system (system present or system absent). Given that only one type of dispute could be manipulated in this study, a pay-related dispute was selected because it is a very common dispute in natural settings (cf. Lewin, 1987). The dispute-present–system-present cell had an additional nonexperimental variable: whether the participant filed a grievance (grievance filed or grievance not filed). See Figure 1 for a summary of these cells.

Method

Participants and Design

Students (N = 158) enrolled in an introductory psychology course at a large public university were randomly selected by computer to participate in the study. Eighty-one percent of the participants were in their first year of college, and their mean age was 18.4 years. Sixty-six percent of the participants were women and 34% were men. The participants were randomly assigned to one condition of the two-factor between-subjects design.

Procedure

After signing an informed-consent statement, the participants (and several confederates) completed a selection exercise that included several background information questions as well as a brief editing test. Next, the experimenter explained that the participants would be acting as workers for On-Campus National College Magazine and that their performance on the selection exercise would determine whether they would be selected to be copy editors or managers in the study.

The participants and the confederates then read a background information booklet that described the corporation and the compensation (lottery system) structure of the study. Those in the system-present condition had descriptions of the grievance procedure. One of the experimenters reiterated the explanation of how the participants would earn lottery tickets for the ten $15 lotteries. If selected to be a copy editor, the participant’s performance would be evaluated by a manager, and the manager would determine the number of lottery tickets received. If selected to be a manager, the participant’s performance would be rated by graduate students in business administration, and these ratings would determine the number of lottery tickets received. The lottery winners would be determined by a drawing; thus, a greater number of earned lottery tickets resulted in a greater likelihood of success.

Next, the experimenter guided the participants to separate small rooms that served as their offices and told the participants that they were selected to be copy editors in the study. Several resource files, office supplies, and reference materials were in each office. An introductory sheet explained that the study was primarily concerned with managerial behavior and that the participant’s manager would have to perform several managerial duties as well as complete a budget and scheduling task. Consequently, the manager would be evaluated by graduate students in business in terms of (a) how well they performed the managerial duties and (b) how well they performed the budget and scheduling task. The introductory sheet directed the participants to read the files and become familiar with the other materials on their desk.

The resource files described the following topics: performance evaluation system, compensation (lottery) system, editing-assignment instructions, charity contribution system, and day-care system. The editing-instruction file explained that in the past, average performers on the editing task were able to locate and correct about 20 errors in the manuscript. The compensation system file explained that in the past, most average workers received 10 out of a possible 20 lottery tickets from their managers. However, there was no exact rule for lottery-ticket allocation, and the manager could keep any remaining lottery tickets and add them to his or her budget problem. Participants in the grievance system conditions had a grievance

<table>
<thead>
<tr>
<th>System Present</th>
<th>Dispute Present</th>
<th>Dispute Absent</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Filers</td>
<td>C</td>
</tr>
<tr>
<td>n = 44</td>
<td></td>
<td>n = 24</td>
</tr>
<tr>
<td>B</td>
<td>Nonfilers</td>
<td>E</td>
</tr>
<tr>
<td>n = 39</td>
<td></td>
<td>n = 25</td>
</tr>
<tr>
<td>System Absent</td>
<td>D</td>
<td>E</td>
</tr>
<tr>
<td>n = 25</td>
<td></td>
<td>n = 25</td>
</tr>
</tbody>
</table>

Figure 1. Experimental design and cell sizes.
procedure file that explained when and how a subordinate could file a grievance.

**Work Period 1.** After reading the files on top of their desk, the participants met their coworker (confederate) and their manager (confederate). Their manager gave them their job assignments for the first work period, which was to edit an article and develop a creative headline for the manuscript. At the end of Work Period 1 (18 min later), the participants were given a survey to complete.

Next, the participant and the coworker (confederate) returned to the manager's office. The manager told both of them that they had performed well on the task, handed each of them their performance evaluations, and then counted and distributed the lottery tickets. All participants received the same above-average performance evaluations. In the dispute-present condition, managers gave 5 tickets to the participants and 7 tickets to the coworkers. Participants and coworkers in the dispute-absent condition were each given 14 lottery tickets. After leaving the manager's office, coworkers in the dispute-present condition complained to the participants about the low number of lottery tickets and pointed out that the file in their office said that average workers usually received 10 tickets. After the confederate delivered the rehearsed message (if appropriate), the assistant experimenter entered the room and directed them to return to their individual offices after filling out their lottery tickets.

During the next few minutes, the participants could take care of any paperwork or relax. This was the only time that grievances could be filed. However, responses to participants' grievances were not received until after the following work period (see the Work Period 2 section). After a few minutes, the experimenters collected any paperwork (such as charity contribution or grievance forms) before handing the participants their next assignment for Work Period 2. The second job assignment was to edit a different manuscript and create a headline.

**Work Period 2.** The response to the grievance (if applicable) was prepared during Work Period 2. The manager randomly selected a positive or a negative response and then wrote the standardized response on the grievance form. Fifty percent ($n = 22$) of the grievance filers received positive responses to their grievance, and the other half ($n = 22$) received negative responses.

At the end of the work period (18 min later), the experimenters collected the work and gave the participants a second survey. After the participants completed the survey, grievances were returned to those participants who had filed grievances. Participants who had the grievance decided in their favor received additional lottery tickets for Work Period 1, and participants who had their grievances denied were directed to indicate on the form whether they wanted to appeal the decision. Eighteen of the grievance filers who had their grievances denied decided to appeal the decision. The resource materials indicated that a third party would review any appeals by reading the written statements on the grievance form and any other relevant documents (such as the worker's performance, performance evaluations, etc.). The copy editors then returned to their manager to receive their performance evaluations and lottery tickets. The lottery-ticket distribution was the same as that used after Work Period 1. After a few minutes, the participants were given their last assignment, which was to edit and create a headline for a different manuscript.

**Work Period 3.** After the work period ended (18 min later), the participants completed a posttask questionnaire. Next, an experimenter returned and asked the participant if he or she would like to return in a few weeks to work in the study for minimum wage. Finally, the experimenter debriefed the participant on the purpose and the execution of the study. Before dismissing the participant, the experimenter asked whether he or she had been suspicious that the coworker or the manager was a confederate of the experimenter. One participant responded yes, and his data were excluded from the study.

**Confederate training.** Confederates were trained to be managers and coworkers in the study by acting out the study and practicing written dialogue during several training sessions. The purpose of the training was to minimize variance in treatment of participants by coworkers and managers. In addition, all confederates completed a questionnaire at the end of each experimental session that required them to rate their fellow confederates and write any other comments about their performance.

**Measures**

**Performance measures.** The participants' editing performance was compared to the master scoring key by two scorers and assessed on four measures: number of errors attempted to correct (attempt), number of errors correctly identified (correct identification), number of errors completely overlooked (missed), and number of errors identified and corrected accurately (accurate correction). Given that these scores were used as measures of objective job performance, intercoder agreement was crucial. Any scoring differences were successfully resolved in a meeting between the scorers.

These four measures were used to generate a rationally derived scale. After standardizing all four measures, a performance composite score for each work period was calculated by adding the three positive measures (attempt, correct identification, and accurate correction) and subtracting the negative measure (missed). The performance composites for Work Periods 1, 2, and 3 were called Performance 1, Performance 2, and Performance 3, respectively. The coefficient alphas for the scales ranged from .52 to .68.

**Desire-to-continue-working measure.** This measure, termed continue working, was a dichotomous (yes or no) response as to whether the participant was interested in continuing in the study for minimum wage.

**Contingencies.** Written items in the surveys were used to measure the three perceived contingencies after the second work period and at the end of the study. There were two items for each contingency, one that asked the respondent about a positive relation (e.g., the relation between above-average product and a high evaluation) and one that asked about a negative relation (e.g., the relation between an above-average evaluation and a low outcome). The negative relation items were reverse coded. The three contingency measures for each assessment period were equal to the sum of the two items for a given contingency. The coefficient alphas for the contingency measures ranged from .67 to .89.

**Other measures.** Several other measures were also collected.
in the study. Fairness ratings of the grievance procedure were included in the surveys, as well as other distractor items to minimize demand effects. The first part of the posttask questionnaire asked the participants to write down what they thought the study was about. This was used as a control measure in the event that the participants were able to figure out the purposes of the study. One participant mentioned grievance systems in his open-ended response. His hypothesis was far off from the actual purpose of the study, so his data were retained.

Results

Cell Sizes

The sample sizes for the five groups of participants in Work Period 2 are presented in Figure 1. Nearly 54% of the participants in the dispute-present–system-present condition filed a grievance (Cell A) at the end of Work Period 1. No participants in the dispute-absent–system-present condition filed a grievance.

Manipulation Checks

A chi-square test of independence was calculated between the manipulated basis-for-dispute variable and the participants’ response to a yes or no question that asked the participants whether they felt they had reason to complain about their working conditions or to file a grievance during the study. The Pearson chi-square was significant, $\chi^2(1, N = 154) = 82.07, p < .001$. Thus, it is reasonable to conclude that the basis-for-dispute manipulation was successful. In addition, a second chi-square test of independence was calculated between Cells A and B of Figure 1 to determine if nonfilers perceived the dispute manipulation. The Pearson chi-square was not significant, $\chi^2(1, N = 83) = 3.42, p > .05$. Thus, it is reasonable to conclude that nonfilers did perceive the dispute manipulation.

Participants who had access to a grievance system were asked to rate the fairness of the grievance system after Work Period 1 and again after Work Period 3. All participants in the system-present condition provided ratings of the grievance system instead of indicating that they "did not know." I performed $t$ tests on the fairness ratings between grievance filers (Cell A) and nonfilers (Cell B). No significant differences were found between these two groups ($p > .05$).

Specific Hypotheses

A priori contrasts were used to test most of the hypotheses. The means and the standard deviations of the performance and continue-working measures for each cell of Figure 1 are presented in Table 1. Table 2 presents the $t$ values and the $p$ values for all of the a priori tests for Performance 2, Performance 3, and continue working.

Hypothesis 1: Procedural Justice. This hypothesis predicted that participants who had a grievance system available to them (Cells A, B, and C of Figure 1) would have higher objective job performance and would be more willing to continue working for the organization than would employees who did not have a grievance system available to them (Cells D and E of Figure 1). A one-tailed $t$ test compared the Work Period 1 performance of the participants in the system-present condition with that of the participants in the system-absent condition (the basis-for-dispute variable had not been manipulated at this point). The $t$ value was in the hypothesized direction but was not significant, $t(155) = 0.61, p = .26$.

A priori contrasts were used to compare the Performance 2 and continue-working measures of those employees who had access to a grievance system (Cells A, B, and C) with those of employees who did not have access to a grievance system (Cells D and E). Participants who had access to a grievance system had significantly higher objective job performance during Work Period 2 and were more willing to continue working than were participants who did not have access to a grievance system ($p < .05$).

A post hoc analysis was conducted to explore an explanation for why this hypothesis was not supported before

<table>
<thead>
<tr>
<th>Group</th>
<th>$n$</th>
<th>$M$</th>
<th>$SD$</th>
<th>$M$</th>
<th>$SD$</th>
<th>$M$</th>
<th>$SD$</th>
<th>$M$</th>
<th>$SD$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cell A</td>
<td>44</td>
<td>-0.15</td>
<td>2.28</td>
<td>-0.35</td>
<td>2.92</td>
<td>-0.55</td>
<td>2.93</td>
<td>0.50</td>
<td>0.51</td>
</tr>
<tr>
<td>Cell B</td>
<td>39</td>
<td>0.12</td>
<td>2.18</td>
<td>0.59</td>
<td>2.56</td>
<td>0.72</td>
<td>2.34</td>
<td>0.38</td>
<td>0.49</td>
</tr>
<tr>
<td>Cell C</td>
<td>24</td>
<td>0.63</td>
<td>3.41</td>
<td>1.13</td>
<td>2.74</td>
<td>0.76</td>
<td>3.00</td>
<td>0.83</td>
<td>0.38</td>
</tr>
<tr>
<td>Cell D</td>
<td>25</td>
<td>-0.05</td>
<td>3.08</td>
<td>-1.28</td>
<td>2.02</td>
<td>-1.08</td>
<td>2.26</td>
<td>0.28</td>
<td>0.46</td>
</tr>
<tr>
<td>Cell E</td>
<td>25</td>
<td>-0.33</td>
<td>2.47</td>
<td>0.04</td>
<td>2.60</td>
<td>0.21</td>
<td>3.08</td>
<td>0.36</td>
<td>0.49</td>
</tr>
<tr>
<td>Total</td>
<td>157</td>
<td>0.02</td>
<td>2.61</td>
<td>0.00</td>
<td>2.72</td>
<td>0.00</td>
<td>2.79</td>
<td>0.47</td>
<td>0.50</td>
</tr>
</tbody>
</table>

Note. Cells A–E refer to the cells depicted in Figure 1.
Table 2
A Priori Contrasts of Performance and Continue Working Measures

| A priori contrast | Performance 2 | | | Performance 3 | | | Continue working | | |
|------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                   | t  | p   | t  | p   | t   | p   |
| Hypothesis 1: A, B, C vs. D, E  | 2.37 | .01 |  |  | 3.07 | .01 |
| Hypothesis 2: A, B, D vs. C, E  | -2.03 | .02 |  |  | -2.52 | .01 |
| Hypothesis 3: A vs. D  | 1.42 | .08 |  |  | -1.85 | .03 |
| Hypothesis 4: A vs. B, C  | -2.30 | .01 | -2.37 | .01 | -1.15 | .13 |
| Hypothesis 5: A vs. B  | -1.63 | .05 | -2.11 | .02 | 1.10* |  |

Note. A, B, C, D, and E refer to the cells depicted in Figure 1. The degrees of freedom for all of the t tests are 152. The p values are rounded to the nearest tenth.
* The t test was in the opposite hypothesized direction.

the basis-for-dispute variable went into effect. After excluding all individuals who were in the dispute-present conditions, the analyses were repeated; similar results were obtained. The t value for Performance 1 was in the hypothesized direction but was not significant, t(47) = 1.13, p = .13; the t value for Performance 2 was also in the hypothesized direction and was nearly significant, t(47) = 1.43, p = .08; and the t value for the continue-working measure was significant, t(47) = 3.77, p < .001.

Hypothesis 2: NPI. A priori contrasts were used to determine if the performance and continue-working measures of those employees who had a basis for dispute (Cells A, B, and D of Figure 1) were significantly less than those of employees who did not have a basis for dispute (Cells C and E of Figure 1). Consistent with the hypothesis, participants who had a basis for dispute had significantly lower objective job performance and were significantly less willing to continue working for the organization than were participants in the dispute-absent conditions (p < .05). To eliminate the possible impact of winning a grievance on the dispute manipulation, an additional contrast was conducted on the continue-working measure after excluding all individuals who had a grievance decided in their favor. Once again, the t value was in the hypothesized direction and was significant, t(130) = 1.18, p < .05.

A priori contrasts were used to compare the contingency measures between the dispute-present conditions and the dispute-absent conditions. The product-to-evaluation and evaluation-to-outcome contingencies were significantly lower in the dispute-present conditions (p < .05) after Work Period 2 and Work Period 3. These results are presented in Table 3.

Hypothesis 3: Exit-voice. Hypothesis 3 predicted that grievance filers (Cell A of Figure 1) would have higher objective job performance and would be more willing to continue working at their jobs than would those employees with similar complaints who did not have a grievance procedure available to them (Cell D of Figure 1). Although the results were in the hypothesized direction, grievance filers did not have significantly higher performance than those participants who also had a basis for dispute but did not have access to a grievance system (p > .05). However, grievance filers were significantly more willing to continue working in the study than were those participants who also had a basis for dispute but did not have an available grievance system (p < .05).

Hypothesis 4: Empirical literature. Hypothesis 4 predicted that grievance filers (Cell A of Figure 1) would have lower objective job performance after grievance filing and would be less willing to continue working in their jobs than would nonfilers who had access to a grievance system (Cells B and C of Figure 1). The a priori contrasts supported this hypothesis. Grievance filers had significantly lower objective job performance (p < .05) after they filed a grievance (Performance 2) and after they learned the outcome of the grievance (Performance 3) than did nonfilers. The t value for the continue-working composite was not significant (p > .05).

Hypothesis 5: Empirical literature. Hypothesis 5 was a further refinement of Hypothesis 4 and predicted that grievance filers (Cell A of Figure 1) would have lower ob-

Table 3
Hypothesis 2: A Priori Contrasts of Contingency Measures

<table>
<thead>
<tr>
<th>Work period</th>
<th>Contingency measure</th>
<th>M</th>
<th>SE</th>
<th>t</th>
<th>df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Period 2</td>
<td>Act-to-product</td>
<td>1.84</td>
<td>1.61</td>
<td>1.15*</td>
<td>151</td>
<td>.01</td>
</tr>
<tr>
<td></td>
<td>Product-to-evaluation</td>
<td>-4.60</td>
<td>1.46</td>
<td>-3.16</td>
<td>153</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>Evaluation-to-outcome</td>
<td>-19.94</td>
<td>1.41</td>
<td>-14.11</td>
<td>152</td>
<td>.001</td>
</tr>
<tr>
<td>Work Period 3</td>
<td>Act-to-product</td>
<td>3.47</td>
<td>1.82</td>
<td>1.90*</td>
<td>149</td>
<td>.017</td>
</tr>
<tr>
<td></td>
<td>Product-to-evaluation</td>
<td>-3.53</td>
<td>1.65</td>
<td>-2.14</td>
<td>150</td>
<td>.017</td>
</tr>
<tr>
<td></td>
<td>Evaluation-to-outcome</td>
<td>-30.75</td>
<td>2.06</td>
<td>-14.96</td>
<td>150</td>
<td>.001</td>
</tr>
</tbody>
</table>

* The t test was in the opposite hypothesized direction.
jective job performance in the postgrievance period and would be less willing to continue working than would those participants who also had a basis for dispute but did not file a grievance (Cell B of Figure 1). Consistent with this hypothesis, grievance filers had significantly lower objective job performance \( (p \leq .05) \) after grievance filing (Performance 2) and after learning the outcome of the grievance (Performance 3). However, the \( t \) value for the continue-working measure was not in the hypothesized direction.

**Discussion**

The results provided partial support for all five hypotheses derived from the four literatures. Employees who had access to a grievance system were significantly more willing to continue working for the organization than were those employees who did not have access to a grievance system. Employees who had a basis for dispute had significantly lower objective job performance and were less willing to continue working for the organization than were employees who did not have a basis for dispute. Grievance filers were more willing to continue working for the organization than were employees who had a reason to file a grievance but did not have a grievance system available. Finally, consistent with the hypotheses derived from earlier field studies, grievance filers had significantly lower objective job performance than nonfilers, even when compared with nonfilers who had a basis for filing a grievance. A more detailed discussion of the specific hypotheses and implications for relevant theory are provided in the following sections.

**Access to a Grievance System**

Employees who had access to a grievance system had significantly higher objective job performance in Work Period 2 and were more willing to continue working for the organization than were employees who did not have access to a grievance system. This result is consistent with the procedural justice literature that predicts employees who have access to a voice mechanism and have the potential to voice their opinions or concerns are likely to have higher job performance (Cornelius, 1985; Early, 1984; Early & Lind, 1987) and are likely to be more willing to continue working in that organization (Alexander & Ruderman, 1987; Alexander et al., 1984; Alexander & Russ, 1985) than are employees who do not have an available voice mechanism.

Lind and Tyler (1988), in summarizing the research cited above, concluded that the relation between performance and procedural justice has been "most clear when the procedures in question are closely related to the task itself and least clear when the procedures in question concern the evaluation of performance and reward" (p. 190). However, in the present study, the grievance system was not related to the job task of editing manuscripts, yet there was a positive relation between having access to a grievance system and job performance in Work Period 2. Thus, this study makes a contribution to the procedural justice literature in that it demonstrated a relation between procedural justice and job performance with a procedure that was not closely related to performing the task.

However, not all of the results were consistent with Hypothesis 1. Although the results were in the hypothesized direction, employees who had access to a grievance system did not have significantly higher objective job performance before the basis-for-dispute manipulation went into effect. Perhaps employees did not have enough exposure to the organization at that point in time to fully appreciate the availability of a voice mechanism, or perhaps the introduction of a basis for dispute made the utility of a grievance system more salient for some of the employees. This latter explanation implies that the mere knowledge that a grievance system is available is not enough to significantly affect employees' performance. A post hoc analysis that explored these two explanations by examining Hypothesis 1 after excluding participants who experienced a dispute provided some support for the first explanation. An experimental study over a longer period of time could be used to explore these two possible explanations by increasing the length of time before the basis for dispute is manipulated.

**Basis for Dispute**

This study used a pay-related issue as the basis-for-dispute manipulation. Consistent with the predictions derived from NPI (Naylor et al., 1980), employees who had a basis for dispute (with their supervisor) perceived a weaker link between their job performance and the evaluation of their performance as well as a significantly weaker link between the evaluation of their performance and their outcomes. Furthermore, participants who had a basis for dispute had significantly lower objective job performance and were more willing to continue working for the organization. It is important to consider that some of the participants who had a basis for dispute filed grievances before the second work period.

The results support the prediction that conflict between employees and their managers affects major components of the NPI model (such as the contingencies) and the employees' objective job performance. Specifically, the employee perceives a weaker relation between what he or she contributes (in the way of time and effort) and receives from the job. This weaker relation ultimately leads to lower motivation, lower objective job perfor-
formance, and lower desire to continue working for the organization. Although NPI does not explicitly address the potential effect of conflict between employees and supervisors on motivation, this study supported the theory and demonstrated its utility in generating predictions about human behavior and motivation. However, the obtained results are somewhat limited by the controlled context of this study; the generalizability of the predictions derived from NPI needs to be examined in future research.

Grievance Filing

Approximately 50% of the employees who had a basis for dispute and had access to a grievance system filed a grievance. Although they had access to a grievance system, no employees in the dispute-absent–system-present condition filed grievances. As a result, the grievance filers in this study were a relatively homogeneous group in that they had the same grievance issue and could be considered equivalent in terms of the legitimacy of their basis for filing a grievance. Other studies that examine different grievance issues or varying levels of legitimacy may obtain different results.

Consistent with the exit-voice model (Freeman & Medoff, 1984; Hirschman, 1970), grievance filers were significantly more willing to continue working for the organization than were individuals who had the same basis for dispute but did not have access to a grievance system. However, contrary to the exit-voice model’s predictions, grievance filers did not have significantly higher objective job performance. This result suggests that the exit-voice model may overstate the utility of grievance system usage. Although the exercise of voice may prevent a desire to exit, it may not be so strong as to affect the employee’s job performance.

This is the first grievance study that has provided any support for the exit-voice model. Unlike previous field research, these results suggest that allowing aggrieved employees to voice their discontent through a grievance procedure may prevent a desire to exit or leave the organization. As stated earlier, previous field studies have not adequately examined the exit-voice model, because they have compared grievance filers with nonfilers who have access to the same voice mechanism and who may or may not have a similar complaint. This study provided a better test of the exit-voice model because the postgrievance consequences of grievance filers were compared with employees with similar discontent who did not have the opportunity to voice their discontent through a grievance procedure. Future research that uses appropriate comparison groups may find additional support for the exit-voice model.

This result can also be explained by the procedural justice literature. Employees who have access to a system that gives them process control (and in this case, use the system) are likely to be more willing to continue working for that organization than are employees who do not have access to such a system.

Consistent with hypotheses derived from previous field research (Klaas & DeNisi, 1989; Klaas et al., 1991; Lewin, 1987; Lewin & Peterson, 1987), grievance filers had significantly lower objective job performance after they filed their grievances and after they learned the outcome of their grievances than did employees who had access to a grievance system but did not file grievances. Similarly, grievance filers had significantly lower objective job performance after filing their grievances and after learning the outcome of their grievances than did employees who had a reason to file a grievance but chose not to use the grievance system. However, no significant differences on the desire-to-continue working measures were found between grievance filers and nonfilers, regardless of whether the nonfilers included only employees who had reason to file a grievance but chose not to do so.

The hypotheses based on previous field research used performance measures collected at two different points in time. The first performance measure was collected after the grievance filers filed grievances but before they learned the outcome of their grievances. This measure allowed the examination of grievance activity behavior without the potential impact of winning or losing the grievance. The second performance measure was collected after the grievance filers learned the outcome of their grievances. The composition of grievance filers (in terms of outcome) reflects its counterpart in natural settings, and this measure most closely resembles the postappeal period as it has been operationalized in the field research (see, e.g., Lewin, 1987).

These results have implications for organizational punishment theory (Jones, 1961; Wheeler, 1976). Until now, because field researchers have relied on subjective performance ratings (that are susceptible to intentional and unintentional bias), these researchers have concluded that organizations punish individuals who are involved in grievance activity. Because this study was conducted in the laboratory and, thus, objective job performance could be measured, it was possible to determine that lower subjective performance ratings of grievance filers are not solely the result of bias or malice on the part of the manager but may reflect the grievant’s true level of performance. Thus, the results of this study do not support organizational punishment theory and instead suggest that the extent to which managers punish grievance filers may have been overstated in previous research.

Implications

Previous research has raised doubts about the usefulness of grievance systems both to the organization and to
those employees who file grievances. However, the present study suggests that grievance systems may provide a reduced-turnover benefit to organizations. That is, employees who had access to the grievance system in the study (regardless of whether they used it) were more willing to continue working for the organization than were those employees who did not have access to the grievance system. Furthermore, there was some evidence that employees who actually used the grievance system to voice their discontent were less willing to exit the organization than were those employees who had the same reason to file a grievance but did not have access to a grievance system.

Previous research has been unable to explore to what extent the punishment effects could be attributed to the conflict that precipitated the grievance filing. The present study provided some empirical evidence that conflict between an employee and his or her manager does affect the employee’s objective job performance. Thus, these results suggest that the punishment effects found in earlier studies may be due, at least in part, to a real difference between grievance filers and nonfilers’ behavior.

Furthermore, not all of this lower performance is necessarily due to the conflict or the dispute that precipitated the grievance. There is some evidence that part of the lower performance may be due to grievance activity. When the cause for dispute was held constant, grievance filers once again had lower objective job performance than nonfilers. However, grievance filing was not experimentally manipulated, so one cannot conclude that grievance filing caused this lower performance.

Earlier laboratory findings (Carnevale et al., 1992) coupled with the evidence of lower objective job performance in this study suggest that the punishment effects may be due to both a real decrease in objective job performance and punishment of the grievant by the manager. Perhaps a change in objective job performance on the part of the grievant is detected and exaggerated by the manager. In effect, these two responses may interact with each other and cause a downward spiraling effect whereby a change in the grievant’s behavior is noticed and punished by the manager and the grievant responds to the punishment, and so forth.

The field research has demonstrated that grievance filers have higher turnover rates than nonfilers. However, this study found that grievance filers were not significantly less willing to continue working for the organization than were nonfilers. Perhaps the absence of a punishing manager in this study partly explains this unsupported prediction. That is, if the manager’s behavior were allowed to vary, perhaps it would result in the aforementioned spiraling effect and in greater involuntary turnover initiated by the manager.

Certainly conflict is an inherent part of grievances. Although it is unreasonable (and undesirable) to rid organizations of all sources of conflict, it is best to minimize the damaging effects of conflicts (e.g., lower objective job performance). One way to do this would be, to the extent it is possible, to objectify the links between performance and evaluation and between evaluation and outcomes. That is, organizations should attempt to minimize the extent to which biases can affect performance ratings and the allocation of rewards (e.g., raises and promotions). However, this is by no means a straightforward task (as is evident by the vast literature on performance appraisal). Another alternative may be to provide some internal controls on these links, such as closely monitoring performance appraisals for grievance filers.

The results of this study suggest that the presence of a grievance system may attenuate the desire of those involved in the conflict to leave the organization. However, the results from Hypothesis 5 are troubling, because grievance filers had lower objective job performance than nonfilers who had the same reason to file a grievance! Is this due to a difference in the way in which these two groups of people respond to conflict, or is it an inherent part of the grievance system process? One way to address this question is to actually manipulate grievance filing in a laboratory study. If it is a function of the grievance process, one would expect to find results similar to those in this study.

References


Carnevale, P. J., Olson, J. B., & O’Connor, K. M. (1992, June). Formality and informality in a laboratory grievance system. In E. A. Lind (Chair), Analyzing organizational grievance systems. Symposium conducted at the conference of the International Association for Conflict Management, Minneapolis, MN.


Received October 19, 1994
Revision received August 21, 1995
Accepted August 23, 1995