HOW EMPLOYEES’ MONITORING PERCEPTIONS AFFECT ORGANIZATIONAL TRUST: THE MODERATING ROLE OF ORGANIZATIONAL JUSTICE

ROSSANA SARRA
Rio de Janeiro - 2016
Sarra, Rossana

54 f.

Dissertação (mestrado) - Escola Brasileira de Administração Pública e de Empresas, Centro de Formação Acadêmica e Pesquisa.
Orientador: Ishani Aggarwal.
Inclui bibliografia.


CDD – 658.406
ROSSANA SARRA

HOW EMPLOYEES' MONITORING PERCEPTIONS AFFECTS ORGANIZATIONAL TRUST: THE MODERATING ROLE OF ORGANIZATIONAL JUSTICE.

Dissertação apresentada ao Curso de Mestrado Profissional Executivo em Gestão Empresarial da Escola Brasileira de Administração Pública e de Empresas para obtenção do grau de Mestra em Administração.

Data da defesa: 14/12/2016.

ASSINATURA DOS MEMBROS DA BANCA EXAMINADORA

Ishani Aggarwal
Orientador (a)

Juliana Arcoverde Mansur Kopp

David Leonard Patient
First of all, I would like to thank my parents whose life of hard work made it possible for me to receive a good education. I would never take this for granted. Further, I want to thank them and my brother for their unconditional love and support throughout these years and for providing me with guidance but hence allowing me to define my own life path.

I would also like to thank my grandmother Francesca Dattola, for her motivational words, her love and for transmitting me her passion for learning. I owe much, more than words can explain.

A special recognition goes to professor Andrew Hafenbrack, who saw this idea arising, thank you for challenging my argumentations and spurring me to follow my interests.

Finally, I would like to thank Ishani Aggarwal, my academic advisor, for her helpfulness and understanding, untiring advice, and encouragement throughout the whole process of writing my master thesis. Thank you, it has been a wonderful learning experience.
Table of contents

1. Introduction ........................................................................................................................................7
2. Objectives........................................................................................................................................8
   2.1. General objectives ....................................................................................................................8
   2.2. Specific objectives ....................................................................................................................9
3. Literature review...............................................................................................................................10
   3.1. Monitoring .............................................................................................................................10
   3.2. Trust ........................................................................................................................................11
   3.3. Organizational justice: the four dimensions ...........................................................................13
       3.3.1. Distributive justice ...........................................................................................................14
       3.3.2. Procedural justice ............................................................................................................15
       3.3.3. Informational Justice .......................................................................................................16
       3.3.4. Interpersonal Justice .........................................................................................................17
   3.4. The influence of organizational justice as a moderator ........................................................17
4. Hypothesis .........................................................................................................................................18
5. Methodology.....................................................................................................................................21
   5.1. Procedure ................................................................................................................................21
   5.2. Measurements ........................................................................................................................21
       5.2.1. Scales ..............................................................................................................................21
   5.3. Sample .....................................................................................................................................23
6. Discussion .........................................................................................................................................25
   6.1. Analysis .....................................................................................................................................25
       6.1.1. Results ............................................................................................................................25
       6.1.2. Discussion .......................................................................................................................28
7. Limitations.........................................................................................................................................32
8. Future research..................................................................................................................................33
9. Conclusion.........................................................................................................................................34
10. Recommendations............................................................................................................................35
11. References.......................................................................................................................................36
12. Appendix..........................................................................................................................................43
List of illustrations

List of figures
Figure 1: Model of Effects of Perceived Monitoring on Organizational Trust moderated by the Organizational Justice constructs.

List of tables
Table 1: Descriptive statistics and intercorrelations of the measures of the study.
Table 2: Results of Hypothesis Testing using Regression Analysis.
Abstract
How should organizations react to nowadays working context? Should employees’ behavioural surveillance be embraced and adopted by companies? What could be the implications of these practices?
This study, based on an input-process-output model, seeks to investigate how monitoring employees may affect their attitudes towards the organization, more in specific, the focus will be on one variable: workers’ trust towards the organization. The research further proposes to determine whether the four organizational justice constructs significantly moderate the relationship between perceived monitoring and organizational trust.
This research applied a quantitative research method, consisting of the analysis of responses obtained to a previously developed survey. Regression analysis was used in order to understand the relationship between monitoring in the workplace and trust towards the organization and to clarify the role played by the four dimensions of organizational justice.
Inconsistently with the hypotheses developed, the results indicate that monitoring employees cannot be considered a factor, which negatively impacts the trust towards the organization. Likewise, the organizational justice domain does not significantly moderate this relationship: the four different organizational justice constructs reported statistically insignificant scores of interaction on the main relationship.
Finally, the implications of the results are discussed with respect to clarifying possible explanation for the obtained outcomes and propose solutions to improve future studies in this area.

Keywords: organizational justice, perceived monitoring, organizational trust, workplace surveillance
Resumo


A pesquisa propõe ainda determinar se os quatro constroem da justiça organizacional moderam significativamente a relação entre o monitoramento percebido e a confiança organizacional. Esta pesquisa aplicou um método de pesquisa quantitativa, consistindo na análise de respostas obtidas a um questionário previamente desenvolvido. A análise de regressão foi utilizada para compreender a relação entre monitoramento no local de trabalho e confiança na organização de expor o papel desempenhado pelas quatro dimensões da justiça organizacional. Inconsistentemente com as hipóteses desenvolvidas, os resultados indicam que os empregados de monitoramento não podem ser considerados um fator que afeta negativamente a confiança para com a organização.

Da mesma forma, o domínio da justiça organizacional não modera significativamente essa relação: os quatro diferentes constroem de justiça organizacional relataram valores estatisticamente insignificantes de interação na relação principal. Finalmente, as implicações dos resultados são discutidas no sentido de esclarecer possíveis explicações para os resultados obtidos e propor soluções para melhorar futuros estudos nesta área.

Palavras-chave: justiça organizacional, monitoramento percebido, confiança organizacional, vigilância no local de trabalho
Chapter 1

1. Introduction

Nowadays, organizations are required to continually find new ways to grow in response to a constantly changing environment. In today’s dynamic workplace, in order to outplay competition, successful companies need qualified employees, the so-called “talents”, who excel and do more than their role requirements. Thus, two are the main pressures organizations need to cope with: on one side, the rivalry to attract highly skilled workforce, which has increased significantly over the last few decades (Mahroum, 2000), and, on the other side, the ability to retain it within the institution.

In order to achieve this, companies need to create a stimulating and attractive working environment as well as ensure mechanism to allow employees to accomplish both personal and organizational objectives. This is not an easy task as the environmental context puts pressure on enterprises calling for ways to sustain competitive advantage and profitability by intensifying work pressure or cutting costs.

Consequently, many companies worldwide are trying to react and to align employees’ and organizational interests by minimizing the inherent risk in working relationships. Hence, controlling systems are being implemented.

Often, behavioural surveillance proves to be a useful tool, as, for example, it prevents from the so called “presenteeism” – employees who are present in the office every day, but do not work. Thus, nowadays not only performance, but also behavioural appraisal is a very common practice (Friedman, 2007).

Nevertheless, many organizations implement this kind of surveillance systems without carefully considering the implications.

This study argues that such practices may undermine organizational trust, as employees perceive to be in an environment where they are not free to act and where supervisors do not trust them. Consequently, based on the social exchange theory (Blau, 1964), they may react by reducing their level of organizational trust.

Despite this may apparently seem an irrelevant consequence; it might have an important impact on many social and performance outcomes.

Indeed, low level of trust has been linked to numerous negative consequences as higher turnover intentions, decrease in productivity and motivation, and lower organizational citizen
behaviours (Cook and Wall, 1980; Wong et al. 2006, Konovsky and Cropanzano, 1991). Consequently, it is imperative that management understand how to better use these tools and to avoid possible downsides.

Another element that contributes to forming and shaping organizational trust judgments is composed by the organizational fairness perceptions, which academics define as “organizational justice”. Indeed, the extent to which employees perceive they are receiving a fair treatment affects the attitudes they have towards the organization. Thus, it is argued that organizational justice may play an important role in shaping the organizational trust perceptions, as Hoy and Tarter have demonstrated, an high level of organizational justice reinforces the trust. This is of great relevance for organizations as they can modify the overall effect of monitoring practices by ensuring fairness. Thus, this research will acknowledge the importance of this construct by taking into account its effects on the relationship between perceived monitoring and organizational trust, an aspect that has not been studied yet.

The following study aims at investigating the situation depicted and filling the current literature gap.

The research is structured under four major chapters. The first chapter is comprised of the introduction and research objectives of the study. Chapter two includes the review of relevant literature regarding monitoring, organizational trust and organizational justice and their relationships; then, drawing from the results presented, the hypothesis will be developed. The following chapter will present the methodology of the study, clarifying the data collection procedure and measurement that have been applied and describing the sample characteristics. In this part, an appropriate statistical analysis was also used in order to test reliability and validity of the measurement scales.

The fourth chapter presents the data analysis, meaning the presentation of the results and the following discussion. Finally, the last chapter comprises the limitations, the suggestions for guiding future research, as well as the presentation of the conclusions of the study and practical recommendations.

2. **Objectives**

2.1. **General objectives**

The study proposes to determine whether a significant relationship exists between employees’ monitoring and workers’ trust towards the organization. Additionally, it attempts to understand the links between this main relationship and organizational justice domain by
adding a further layer of investigation and examining the moderating effect of the four organizational justice constructs. Indeed, at different levels of organizational justice the impact of perceived monitoring on trust is going to be different: e.g. a high level of organizational justice is likely to weaken the strength of the relationship between monitoring and trust and vice versa. The goal is to provide management with practical recommendations for behavioural monitoring implementation. Furthermore, even if the domains of trust and organizational justice have been of high interest to the management scholars and thus greatly contributed to the development of the organizational behaviour field, there are still unaddressed issues. Indeed, the academic discussion has not fairly examined the relation that exists between these constructs and the monitoring practices undertaken by organizations to control employees’ behaviours. It seems that a lot of research has been done in these areas, but little is known about how these three areas affect each other.

Still, the relevance of the present study goes beyond filling this theoretical gap, as this thesis seeks to contribute to the emerging practices of behavioural monitoring in the workplace by providing a tool to understand a facet of its possible repercussions. Thus, the aim is to provide empirical evidence of the effects of such monitoring practices on employees’ trust towards the organization.

2.2. Specific objectives

This paper has some further specific objectives, which seeks to achieve. Taken together, the foregoing discussion leads to predict that employees may change their trust towards the organization when they feel they are being monitored. It would be interesting to measure the changes in the main relationship when adding a moderator. Therefore, the first goal is to determine how the perceived organizational justice would moderate the relationship between monitoring and trust towards the organization and whether the inclusion of this explaining variable can enhance the predictive power of the model.

Secondly the goal is to understand how the different dimensions of the organizational justice impact the relationship between perceived monitoring and organizational trust differently.
Chapter 2

3. Literature review

This chapter provides a review of the existing literature relevant to the study. The different constructs are illustrated and their relationship is discussed. To ensure relevance, only papers from top tier journals have been taken into consideration.

3.1. Monitoring

Companies need to ensure that employees follow procedures and rules in order to achieve successful results and correct functioning (Laufer and Robertson, 1997; Bell et al., 2002; Vardi and Weitz, 2004, Tyler and Blader, 2005). This represents a serious challenge for organizations as many studies have reported evidence on extensive and widespread employees’ non-compliance (e.g. Simon and Eitzen, 1990; Frederick, 1995; Mintz, 2001; Spence, 2001; Healy and Lies, 2002). To ensure correct conduct, companies can rely on different tools, one of them is employee monitoring. It is important to mention how the organization’s to control employees is strictly linked to HR policies as depends on the theoretical assumption it holds with regards to workers’ behaviour.

Both the terms “workplace monitoring” and “surveillance” (Ball, 2010, p. 88) have been used by academics to indicate the practices undertaken by organizations to have control over the actions of employees. Further, monitoring was also defined as the behaviours conducted by one party to gain information about another party’s level of cooperation.

Mostly, this concept has been operationalized in academic studies as performance monitoring, which refers to the assessment of the quality of work. Numerous studies have been conducted to explain the causes and effects of monitoring of performance. Furthermore, recently, many researchers have focused on electronic performance monitoring analysing its positive and negative implications (Bhave, 2014; Davidson and Henderson, 2000; Chalykoff and Kochan, 1989; Lund, 1992).

Nevertheless, in this paper, the construct is used in a slightly different manner. The variable under investigation is not the monitoring of performance, but the behavioural surveillance within the organization. Additionally, the focus of the empirical research is not the actual surveillance, but the perceived one, as the interests are in understanding employees’ perceptions and seeing how these may consequently shape their attitudes towards the organization.
The topic of monitoring raises also some theoretical questions such as whether is ethical and correct for employers to use these controlling systems. The prevailing position among the academics in the organizational behaviour field is the one expressed by Loch, Conger and Oz (1998), according to which managers have the right to monitor their subordinates as they are paid to perform a job using the resources, technology and equipment that belongs to the company. As Bijlsma-Frankema and Costa (2005) have argued, monitoring represents a central element of formal control as it allows overseeing potential deviations from established rules. Also, McAllister (1995) has added that control-based surveillance of behaviours is able to limit situational uncertainty.

3.2. Trust

The theme of trust has always been present in the academic studies, but it was only about twenty years ago that researches started devoting more importance to it. Indeed, trust has emerged as a topic on its own in the contemporary organizational behaviour literature. This is supported by the special issue published in 1998 by the Academy of Management Review and by the studies which were published at the end of the twentieth century, focusing on trust (Rousseau, Sitkin, Burt, and Camerer, 1998, Gambetta, 1988; Kramer and Tyler, 1996; Lane and Bachmann, 1998). Nowadays it occupies a central position in the organizational studies; nevertheless, despite its rising importance, some questions still remain problematic.

Firstly, there are several definitions of trust that can be found in the literature; thus, leading to a lack of consistency and subsequent complexity when comparing the findings of different studies. Many scholars have noticed these inconsistencies; a reason why addressing this issue has become a major focus of the research. However, all the descriptions used refer to the intangible aspects of human behaviours. Among these, four main ones have been identified: Kreitner and Kinicki (2004) depicted it as “a confident reliance on the integrity, honesty, or justice of another”, whereas Robbins and Coulter (1999) described it as: “The belief in the integrity, character, and ability of a leader”. Differently, Landau (1985) referred to it as: “Reciprocal faith in one’s intentions and behaviours”. Instead, according to Robinson (1996), trust refers to “one’s expectations, assumptions, or beliefs about the likelihood that another’s future actions will be beneficial, favourable, or at least not detrimental to one’s interests”.

In this paper the definition provided by Robinson will be used as a reference point and interpreted as the behaviour displayed by employees towards the organization. Additionally,
the measurement scale he developed will be used as a tool to observe perceived organizational trust.

The domain of organizational trust relates to the attitude workers have in the organization itself and not in any individual: it is concerned with processes’ fairness, consistency and design and includes the extent to which promises are kept (Galford and Drapeau, 2003). Thus, employees continuously monitor the organizational environment to build trust (Carnevale, 1988). An important assumption lies at the basis of this concept: organizations are not required to constantly monitor its employees as they carry out daily business tasks with the best of intentions (Mayer et al., 1995).

Despite differing from personal trust, organizational trust is strongly linked with the manager’s actions and behaviours, as they have a considerable impact on setting off employees’ trust (Dirks and Ferrin, 2002; Newman et al., 2014). Consequently, employees’ trust towards supervisors has been strongly associated with their organizational trust (Wong et al., 2003). For instance, Tan and Tan (2000) argued that employees, based on their interaction with the supervisor, make inferences about whether to trust or not the organization. Furthermore, from an employee point of view, trusting managers is of key importance as the latter are entitled with decision-making power in allocating rewards and resources (Tyler, 1989). Hence, the decision to introduce organizational justice as a moderating factor in this study.

Trust is a very relevant element in the organization context because, as Cook and Wall (1980) have pointed out, employees’ trust in organization is an essential component to guarantee the wellbeing of its member and ensure the stability in the long run. Aligned with this finding, the social exchange theory points out the role of trust in the creation and maintenance of an enduring employment relationship (Blau, 1964).

Moreover, trust has been linked to many positive organizational outcomes. Researchers have demonstrated how it improves the managerial leading effectiveness (Atwater, 1988; Bazerman, 1994) and negotiations efficiency (Valley, Moag, and Bazerman, 1998). At the same time, trust has proven to increase employees’ organizational commitment (Cook and Wall 1980) and organizational citizenship behaviour in the workplace (Wong et al. 2006). Additionally, with high levels of organizational trust, workers are willing to work harder (Dirks and Ferrin, 2001) and remain longer in the organization (Konovsky and Cropanzano, 1991).
Another significant aspect to be considered is represented by the consequences of harm trust. Some studies have found empirical evidence that (Lewicki and Bunker, 1996; Lewicki and Wiethoff, 2000) once trust has been violated, its negative consequences may be irrevocable. Similarly, Slovic (1993) has argued that lost trust takes a long time to rebuild, whereas sometimes, it might never be restored. Thus, this justifies the importance is has been given in this paper.

3.3. Organizational justice: the four dimensions

The study of justice or fairness can be dated back to the ages of Plato and Socrates (Ryan, 1993), being a main topic of philosophical interest. Nevertheless, the study of perceived fairness as it is known today in the organizational behaviour field is very new. Indeed, despite its importance, this area of research is quite recent as began wide spreading only in the second half of the twentieth century. The term “organizational justice” as it is commonly referred to nowadays is also very recent as it was only introduced in 1987 by Greenberg in his work “a taxonomy of organizational justice theories”, while before academics referred to it as fairness. Organizational justice concerns the individual’s perceptions of fairness in organizations and it is defined as the extent to which people perceive organizational events as being fair (Greenberg, 1987). It has been argued and demonstrated how variations in the fairness of processes and procedures can affect the attitudes and behaviours of those impacted by such practices (Leventhal, 1980; Thibaut and Walker, 1975). Thus, as the topic is strictly linked with employees’ wellbeing in the organizations, both scholars and managers regard the subject with great consideration.

In the early years of the development, the focus of academics was primarily on the distributions of outcomes, what today forms the basis of distributive justice, which was presented by Adams in 1965 in his equity theory, which will be discussed below. Until 1975 organizational justice was used as a broad term as it was recognized to be consisting of only one dimension (distributive justice), since other forms of justice were not conceptualized yet (Greenberg, 1990).

Later in 1975, Thibaut and Walker introduced the concept of procedural justice, focusing on the perceptions of the procedures used to take decisions and to implement them, but it was only in 1980 with the work of Leventhal that the notion of procedural justice was applied in organizational settings. Successively, Bies and Moag (1986) made a major contribution to the theory by focusing the attention on the interpersonal treatment received, defining this as “interactional justice”.
Recent studies (Greenberg, 1993b), have further identified two different types of interpersonal treatment; thus, the distinction in interpersonal and informational justice.

The following years saw the rising of a great debate between researchers regarding the justified existence of the different dimensions. Much of the research has focused on trying to prove either the independence of each facet or the correlations among them. Thus, this highlights the complexity of the question and the difficulty to get to a unanimous agreement.

Nowadays, in the extant literature, organizational justice has been widely accepted as a multidimensional construct. Still, some authors conceive it as made up by two and others by three or four dimensions.

In 2001 Colquitt contributed to this discussion with his Meta-Analytic review demonstrating how, in fact, these dimensions can be empirically distinguished from one another and considered four separate ones. His work will be used as a main reference for this paper, hence, the division of organizational justice in four different constructs.

3.3.1. Distributive justice

As mentioned before, in 1965 Adams introduced the concept of distributive justice by applying the theoretical framework of equity theory to evaluate fairness. He argued that the principal concern of individuals was not the evaluation of outcomes in their absolute terms, but rather their overall fairness. He explained that people created their own perceptions based on the comparison between recipients' and other people’s inputs or contributions. Therefore, when the obtained outcome as a result of certain input was equal to ones of comparable people, the perceived fairness was higher. Hence, clearly highlighting the subjectivity of the judgement and recognizing equity as the norm to evaluate fairness.

Despite acknowledging Adams’s contribution to academic discussion, Leventhal (1980) criticized his position and proposed a new, more comprehensive, multidimensional approach that would integrate new rules to evaluate perceptions of fairness, in opposition to the monodimensional equity theory. Thus, explicitly recognizing the existence of alternative norms, which influence individuals’ fairness perceptions, such as the need and equality norms. Additionally, it was proved how the demands of the authority in the organization and the policies might have an impact on fairness perception by changing them (Kelman and Lawrence, 1972; Karuza and Leventhal, 1976).

Leventhal argumentations are sustained by the work of Deutsch (1975), who demonstrated that the context was responsible for using different allocation rules, which constituted the basis to judge distributive justice perceptions.
Later, other definition of the construct was proposed: Folger (1977) defined it as the extent to which employees believe they are compensated for the work they do, while Romer (1998) referred to it as the fairness perception of employees concerning the way managers distribute resources in the organization.

Forsyth instead argued that distributive justice was perceived as fair only when it was aligned with group norms.

The concept of distributive justice has been applied in different context and linked with diverse outcomes. Some researchers focused on employees’ personal outcomes. For example, McFarlin and Sweeney (1992) demonstrated how distributive justice predicts pay and job satisfaction. Other researchers demonstrated how this organizational justice facet affects also employees’ wellbeing, as with high levels of distributive justice, workers were found to be less likely to experience physical or mental burnout (Liljegren and Ekberg, 2009).

3.3.2. Procedural justice

Thibaut and Walker (1975) can be rightly considered the pioneers with regards to the concept of procedural justice, as they were the first to point out how the procedural features of the allocated process were important determinants of perceived fairness. In their research about dispute-resolution procedures, they described procedural justice as the amount of process control provided to people affected by the procedures and their outcomes; their emphasis on the topic is justified by the fact that by allowing individuals to control the processes, procedural justice’s functioned as a defender of people’s self-interests. Applied to their context of research, they found out that the disputants were more likely to view a procedure as fair and accept it, when they perceived they had control over the process throughout the legal proceeding. Similarly, Folger (1977) and Leventhal (1980) merit the credit for having firstly applied this concept to the organizational context. Folger (1977) demonstrated how giving employees the chance to express their opinion about the processes affecting them enhanced their reactions to the outcome of those process decisions. This was defined as “fair process effect”. Consequently, people considered the procedures as fair if they perceived that they had control over them (Colquitt, et al., 2001). Leventhal (1980) provided another definition of procedural justice, depicting it as the individual's’ perceptions on the procedures used to regulate rewards and resources’ distribution. Thus, focusing on the allocated process. Later a similar definition was provided by Moorman (1991) who depicted it as the fairness of the procedures used to determine outcomes for the employee.
Additionally, six elements which characterize fair procedures have been identified (Leventhal, 1980; Leventhal, Karuza, and Fry, 1980): 1) Accuracy: accurate use of information should be ensured 2) Representativeness: should not contain errors, thus, being based on accurate information 3) Consistency: consistent application over person and time 4) Correctability: provide mechanisms to control and correct flawed decisions 5) Ethicality: should be originate from prevailing ethical and moral standards 6) Bias suppression: should be free from bias.

### 3.3.3. Informational Justice

The concept of informational justice has been derived from the dimension of interactional justice (previously conceived as the third dimension of organizational justice after distributive and procedural justice), which has been recently the focus of the interest of many researchers. In particular, Greenberg was the one who firstly theorized the concept defining it as the extent to which people are provided with explanations that convey information about why procedures are used in a certain manner or why outcomes are distributed in a certain way (Greenberg, 1993). Moreover, he debated that this dimension affects employees’ response and receptiveness to procedures since the information allow them to understand the underlying rationale of procedure’s existence. Thus, it provides a good tool to better analyse procedural justice, as it depicts the level of procedure’s transparency.

Among many academics it has become clear that fair process entails not only ensuring process control, but also providing information to justify the processes (Bies and Shapiro, 1988). Following on with the debate, the research conducted by Fricchione (2006) demonstrated that where more transparent information is prevalent, the perceived level of informational justice is higher.

Therefore, this approach reveals that providing specific information on decisions or outcomes contributes to reduce or minimize employees’ negative emotions and attitudes, from an informational justice perspective. Additionally, revealing specific details about critical decisions is likely to reduce the negative influence of individual emotions, attitudes and as well limit rumours that easily spread within organisations (Citera and Rentsch, 1993; Greenwood, Hinings, and Brown, 1994; Steensma and Van Milligen, 2003).
3.3.4. **Interpersonal Justice**

According to Greenberg (1993), interpersonal justice refers to the degree by which a person is treated with respect and dignity by his supervisors, subordinates, etc. As it is clear from his definition of the concept, he acknowledged that interpersonal justice was strictly linked with issues such as sensitivity, respect, dignified behaviour, and politeness.

Although interpersonal justice is a relatively recent construct (Colquitt, 2001), it has been linked to important outcomes such as turnover intentions, organizational commitment, and job satisfaction (Cohen-Charash and Spector, 2001). In terms of interpersonal justice, it may be the case that some people associate rude and low interpersonal justice behaviour with high levels of power (Holtgraves and Yang, 1990). In this case, when a supervisor behaves disrespectfully, this could result in others perceiving the supervisor as powerful, which may be the impression the supervisor is hoping to produce (Schopler and Layton, 1972). Treatment by a supervisor is defined as respect, dignity, motivation, encouragement etc. Fischer (2008) argued that decision makers should act with dignity and respect when treating other people, as the core of interpersonal justice. People that treated fairly by their authority will increase their loyalties toward the organization, regardless of the favourability of the decision outcome (Tyler and Lind, 1992).

3.4. **The influence of organizational justice as a moderator**

Organizational justice has proven to be a catalyst behind a number of different studies (Colquitt, 2001; Colquitt et al., 2001). Often its moderating effects have been subject of analysis. Here, some results will be reported in order to understand the state of the art of the academic discussion and draw useful conclusions for the hypothesis development.

Wu and her colleagues (2007) have applied the concept of fairness to leadership and illustrated how interpersonal and informational justice perceptions are able to moderate the relationship between transformational leadership and employee cynicism about organizational change in such a way that concern and resistance to change decreases when leaders are providing information in a supportive manner (therefore, displaying high levels of informational justice and interpersonal justice).

Further, other studies predicted that justice perceptions are able to influence judgments about outplacement, more in specific, the findings indicate that overall justice perceptions of the former organization mediate the effects of perceived outplacement adequacy on its implications (e.g., future perspectives, job search, negative emotions) (Marzucco, L., and Hansez, 2016).
Additionally, Elanain (2009) has provided empirical evidence for the moderating effect of distributive justice on the relationship between job characteristics and work attitudes and behaviours, applied his empirical research to a non-western context: it has been found that distributive justice fully mediates the relationship between job satisfaction and skill variety and between turnover intention and task identity “as the main effects of both skill variety and task identity become insignificant after distributive justice is introduced in the equation”. Thus, suggesting managers to act on contextual factors such as distributive justice to intensify the impact of job characteristics on work outcomes.

This review of existing literature provides useful information for the development of the hypothesis. As it is possible to see from previous research, the role of organizational justice as a mediator has been studied at the general level (considering overall organizational justice) as well as considering its different constructs (e.g. informational or distributive justice). Therefore, drawing on this, the present study will attempt to analyse the moderating effect on both levels in order to capture any significant variance.

Until today, the moderating effect of organizational justice on the relationship between perceived monitoring and organizational trust has not been an object of research, thus this study will contribute to filling this gap.

4. Hypotheses

Consistent with the objectives of the study, drawing from existing literature, the hypotheses have been developed and will be illustrated here:

According to social exchange theory (Blau, 1964), parties create and engage relationships based on the norm of reciprocity, creating diffuse future obligations. Consequently, when applying this theory to the workplace environment, it is predictable that positive actions directed at employees contribute to establishing high-quality relationships (and vice-versa).

Thus, if the employer performs actions directed at controlling the behaviour of its employees, showing lack of trust, it is arguable that the employees will in turn display lower level of trust towards the organization.

*Hypothesis 1: there is a negative relationship between monitoring and trust.*

The development of the second hypothesis concerns the analysis of organizational trust’s definition. Indeed, organizational trust relates to processes’ fairness, consistency and design, including the extent to which promises are kept, and it is strongly linked with the manager’s actions and behaviours. As the concept highly depends on fairness, which in the academic
context is defined as organizational justice, it is arguable that the two concepts will be strictly linked to each other.

**Hypothesis 2**: organizational justice (all four dimensions) moderates the relationship between monitoring and trust such that at low levels of org justice there is a negative relationship between monitoring and trust.

Also, the study proposes to identify how the four different organizational justice constructs may vary in moderating the relationship between perceived monitoring and organizational trust. In order to formulate the relative sub hypothesis, previous investigations on the topic have been reviewed; in particular, the objective was to understand how the organizational justice facets might be differentially linked to outcomes. Literature on the legal and political field had suggested that some organizational justice dimensions are better predictors of some outcomes rather than others.

To prove the interrelationships between the different organizational justice constructs academics have developed different models.

Leventhal (1980) sustained that distributive justice perceptions are more salient, as they report always-greater impact than procedural justice, referring to this as the “distributive dominance model”.

Differently, Lind and Tyler (1988) and Greenberg (1990) have argued that procedural justice is better related to attitudes concerning more systemic or institutional outcomes, whereas distributive justice displays higher relatedness to personal-level specific outcomes. Their findings have been confirmed also by McFarlin and Sweeney (1992), who similarly found that distributive justice was a better predictor of “personal outcomes” while on the contrary procedural justice was strongly linked to “organizational outcomes”, referring to this as the two-factor model.

Bies and Moag (1986) proposed an original alternative, arguing that people relied on interpersonal and informational justice perceptions when reacting to authority figures, whereas when judging the overall organization, they relied on procedural justice perceptions. Recently, building on this theory, Masterson and his colleagues (2000) developed a new model, the “agent-system model” and demonstrated that informational and interpersonal justices were able to better predict supervisor-referenced outcomes (agent- referenced), whereas procedural justice predicted organization-referenced outcomes (system-referenced).
Given the importance of trust for the theorization of procedural justice, this study expects to find stronger moderating scores of procedural justice on the relationship between perceived monitoring and trust, than distributive justice; being this consistent with previous results (Konovsky and Pugh, 1994; Alexander and Ruderman, 1987). Additionally, consistent with the view of trust being associated with a particular person, drawing from the agent-system model it is predicted that informational and interpersonal justice will display higher moderating scores on the main relationship between perceived monitoring and organizational trust, than procedural and distributive justice. Therefore:

Hypothesis 2a: When considered individually, the four different facets of organizational justice moderate the main relationship between perceived monitoring and organizational justice in different ways, meaning that the main relationship is weaker or stronger depending on the considered organizational justice facet.

Figure 1 illustrates the relationships to be tested in this empirical study. The model proposes that organizational justice mediates the main relationship between perceived monitoring and organizational trust. The model proposes that perceived monitoring weakens employees’ trust towards the organization. Finally, distributive justice, procedural justice, interpersonal and informational justice, as different facets of organizational trust are analysed to measure differences in the way each one of them influences the main relationship.

![Figure 1: Model of Effects of Perceived Monitoring on Organizational Trust moderated by the Organizational Justice constructs.](image-url)
Chapter 3

5. Methodology

In this section the methodology will be presented and the data collection process illustrated. In addition, data collection procedures, the used measures and the sample characteristics are presented.

5.1. Procedure

In order to address the research problem, primary data has been collected: Original data has been gathered by means of a quantitative survey which has been administered online and sent to willing participants by email, eliminating interviewer biases. Indeed, especially when it comes to topics such as employee’s relationship towards the organization, participants may feel reluctant to disclose their true feelings and opinions; thus, as self-administered questionnaires are regarded as more anonymous, by doing so, their answers are more likely to be true. Consequently, this data collection method facilitated data reliability. Moreover, all the respondents were assured of confidentiality and informed that the information would be used for research purposes only.

The closed-ended questionnaire was structured in different parts, according to the distinct variables subject of the study. Existing scales drawn from academic literature have been used as a primary instrument to study the variables.

In the next paragraph the measurements will be presented. (The survey guideline can be found in appendix I.)

5.2. Measurements

5.2.1. Scales

Six scales derived from existing literature were used in the study to measure the perceived monitoring, the constructs of organizational trust and justice. Demographic information was also collected, as it was needed to control for external factors, such as information about gender, education level, job status and work experience. In the following part a more detailed overview of the scales will be provided. Although the scales have all already been tested in previous studies and found to be reliable and valid, reliability analyses were still conducted as they were used on a different population from the confirmatory studies.

As mentioned before in the literature review, researchers have proved how the domain of organizational justice is composed of different dimensions. In order to measure them, in the
past, many different scales have been developed, thus, leading to confusion and complexity when comparing different studies’ results.

In order to address this problem, Colquitt (2001) has conducted a review of the most used scales and tested them, validating the organizational justice measures with two empirical studies. Thus, the scales that will be used in this study take into account his work as they will be drawn on the review made by Colquitt.

The survey was divided into four parts according to the distinct organizational justice classifications and relative scales were used to assess them. Each measure’s reliability was measured using the Cronbach’s alpha and accepted if is above the threshold of 0.700.

**Distributive Justice.** Four items were used to measure distributive justice perceptions regarding pay outcomes. Participants were asked to rate the levels of perceived distributive justice on a 5-point Likert scale ranging from 1 = to a very small extent to 5 = to a great extent. The items are drawn from a scale that was developed by Leventhal (1976). Sample items includes “Does your (outcome) reflect the effort you have put into your work?” and “Is your (outcome) justified, given your performance?”. The measures exhibited a high level of reliability (Cronbach’s alpha = .853).

**Procedural Justice.** This is composed by a set of seven items, which was originally adapted by Colquitt (2001). The first two items are based on Thibaut and Walker’s scale (1975). Sample of these items include “Have you been able to express your view and feelings during these procedures?”. The remaining items are drawn from a scale that was developed by Leventhal (1980). Sample of these items include “Have you been able to appeal the (outcome) arrived at by those procedures?” and “Have those procedures upheld ethical and moral standards?”. It was measured with a five point Likert scale where 1 = to a very small extent and 5 = to a great extent. Scales reliability were tested and ensured (Cronbach’s alpha = .733).

**Interpersonal Justice.** Made up by a set of four items measured with a five point Likert scale where 1= to a very small extent and 5 = to a great extent. The scale used was developed by Bies and Moag. Sample items include “Has he/she treated you with dignity?” and “Has he/she refrained from improper remarks or comments?” The measures exhibited a high level of reliability (Cronbach’s alpha = .813).
**Informational Justice.** The scale developed by Shapiro, Buttnner and Barry (1994) consists of a set of five items measured with a five point Likert scale (1 = to a very small extent and 5 = to a great extent). Sample items include “Were his/her explanations regarding the procedures reasonable?” and “Has he/she seemed to tailor his/her communication to individuals' specific needs?”. Reliability was also ensured (Cronbach’s alpha = .788).

**Trust in Organization.** It was measured using a five point Likert scale (1 = strongly disagree; 5 = strongly agree) developed by Robinson’s (1996). Sample items are “In general, I believe my employer’s motives and intentions are good” and “I believe my employer has high integrity”. Nevertheless, when scale reliability was tested through the Cronbach’s alpha, a score of -.597 was reported. Subsequently, the usability of the data for factor analysis was tested by Kaiser-MeyerOlkin (KMO) test. As the test ratio was .835, thus, greater than 0.60 a factorial analysis was applied. As a result of the factorial analysis all the items loaded on a single component (“I believe my employer has high integrity”), which reported an Eigenvalue >1, proving the need to revise the initial set into. Indeed, the latter could be adequately represented by one factor explaining 49.250% of the variance (R^2 = .4925). Therefore, just this item was extracted and considered valuable to explain organizational trust.

**Perceived monitoring of behaviour.** This variable was measured using a 5-point Likert scale (1 = never; 5 = Always) based on the measurement developed by Niehoff Moorman (1993). The scale is comprehensive of 13 different items subdivided into two groups: “informal discussions” and “observation”. A sample of those items includes “How frequently does your general manager schedule meetings with you to talk about your work progress?” and “How often does your general manager meet to discuss work progress with you individually?”. The reported Cronbach’s alpha was high (alpha = .892), thus, scale reliability was ensured.

**5.3. Sample**

A total sample of 134 responses was collected to an online administered questionnaire, using the web survey client Qualtrics. Those participants who did not complete the entire survey or had a substantial amount of missing responses were excluded from further analyses; therefore, the final sample consisted of 116 participants. The majority (57.8%) of individuals involved in the study were male, while overall respondent ages ranged from under 27 years old to above 60, with majority of observations
split amongst two major age groups: one up to 27 years old and the other with age ranging from 28 to 39. Further, 96.6% of participants reported a level of education equal or higher than bachelor degree and 72.5% of them had a permanent job position. These data were collected throughout the month of October 2016.
Chapter 4

6. Discussion

This chapter provides a presentation of the findings reported from the survey; this will be followed by the analysis of the data. Same as with all other tests in the thesis, 5% significance level was used for acceptance decisions.

6.1. Analysis

The collected data has been statistically analysed and processed using the software package SPSS. First, descriptive statistics have been used to summarize the main characteristics of the sample, including frequency distributions about the control variables. Then, correlations were also tested to understand the strength of the relationships among the variables. Finally, the relationships and interactions were tested using regression analysis. The main findings are presented below in the next paragraphs.

6.1.1. Results

The purpose of this study was to investigate the effect of perceived behavioural surveillance in the workplace on the attitude employees may assume towards the organization by investigating, in specific, their trust towards the organization. Further, the aim was to understand whether the perceived fairness and its different facets would moderate this main relationship. Therefore, the four constructs of the organizational justice domain were used as moderators.

As the variables measured satisfied the normality condition and the other linearity assumptions, they were examined with Pearson Correlation in order to see the strength and direction of the relations. Descriptive statistics and interrelations among all study measures are displayed in Table 1. As it is shown, the pattern of correlation indicates positive relationships between distributive, procedural, informational and interpersonal justice. Based on Pearson correlations, distributive justice correlated (r = 0.684) with procedural justice, (r = 0.396) with interpersonal justice and (r = 0.515) with informational justice. The correlation between each two justice constructs is quite high at 5% significance level. This can be explained by the-fact that they all represent different aspects of the same organizational justice
domain. On the contrary, no significance is found in the correlations amongst the independent variable, perceived monitoring and the dependent variable, organizational trust (p > .050). Similarly, perceived monitoring does not report any significant correlations with the measures of organizational justice (p > .050).

The focus of the data analysis lies mainly on the linear regression analysis, which has been applied to study both the main effects of perceived monitoring on organizational trust and the effects of the moderators. Number of years of working experience and age were used as control variables in all linear regression analyses, as the preliminary tests of the correlation relationship (table 1) demonstrated how these variables reported the highest significance in correlation with the variables of the study.

Hypothesis 1: there is a negative relationship between monitoring and trust.

As it is possible to infer from the result presented in table 2, contrary to what previously hypothesized, there was no significant relationship between the independent variable, perceived monitoring, and the dependent variable, organizational trust. The coefficient of perceived monitoring is not significant (β = 0.045, p > .05) (table 2, column 2). Thus, these findings strongly suggest that the perceived monitoring of behaviours of the workers of the organization will not have a significant influence on the trust in the organization. Thus, no significant results have been found. We cannot reject the null hypothesis.

Hypothesis 2: organizational justice moderates the relationship between monitoring and trust such that at low levels of organizational justice, there is a negative relationship between monitoring and trust.

As we can see from column 11 of table 2, where all the moderators are considered together, the coefficient of the interaction between perceived monitoring and interpersonal justice reports a significant score (β = -1.467, p < .05). Instead, the other coefficients of the interaction between the justice dimensions and perceived monitoring report non-significant results: distributive justice (β = -0.185, p > .05) procedural justice (β = -0.081, p > .05) informational justice (β = 1.281, p > .05). Thus, when all the organizational justice’s facets are considered as one, acting as a moderator, only the interpersonal justice constructs reports a negative significant. In conclusion, as the sign of the coefficient of the interaction between
perceived monitoring and interpersonal justice is negative, and all the other interactions reported non-significant results, this research was not able to demonstrate hypothesis 2.

The sub-hypothesis 2a was formed to test the moderating effects of the different justice dimensions in the relationship between perceived monitoring and organizational trust. Thus, understanding whether considering organizational justice as a multifaceted construct could improve the explanatory power of the study.

Hypotheses 2a: When considered individually, the four different facets of organizational justice moderate the main relationship between perceived monitoring and organizational justice in different ways, meaning that the main relationship is weaker or stronger depending on the considered organizational justice facet.

To test this hypothesis linear regression was run using the dependent variable (organizational trust), the control variables, perceived monitoring, each organizational justice construct considered individually and the interaction between the latter and perceived monitoring, using the enter mode. First the regression was run considering distributive justice: The coefficient of perceived monitoring and distributive justice is not significant ($\beta = -0.451$, $p > .05$); however, the main effect of distributive justice is significant and positive ($\beta = 0.945$, $p < .01$). Thus, we do not find evidence to support that distributive justice alone has a weaker/stronger weight on the main relationship between perceived monitoring and organizational trust.

Also the coefficient of the interaction between perceived monitoring and procedural justice is not significant ($\beta = 0.755$, $p > .05$) (table 2, column 6). Likewise, the results reported in column 8 of Table 2 illustrate that the coefficient of perceived monitoring and interpersonal justice is not significant ($\beta = -0.274$, $p > .05$). Finally, by observing column 10 of table 2, it can be also pointed out that the coefficient of perceived monitoring and informational justice is not significant ($\beta = 0.337$, $p > .05$). Therefore, since all the organizational justice constructs considered individually show no significant result, the support for hypothesis 2a could not be found.

Finally, it is to be reported that three facets of organizational justice reported a positive significant impact on the dependent variable, organizational trust: distributive justice ($\beta = 0.573$, $p < .05$), column 3, procedural justice ($\beta = 0.488$, $p < .05$) column 5, and interpersonal
justice ($\beta = 0.430, p < .05$) column 7 of table 2. Since others were not significant, they did not influence the trust. Each organizational justice domain has been tested as a moderator for the main relationship object of the study. This research, despite reporting some acceptable significance levels did not find any relevant result, so the hypotheses were not supported by the data. The possible reasons for the findings that have been obtained will be speculated for in the upcoming section.

6.1.2. Discussion

As results proved to be different than expected and it was not possible to find evidence for the hypothesis, here some possible explanations will be presented.

It is possible that performance monitoring might have been more successful as a predictor of a decrease in organizational trust than behavioural surveillance. It is arguable that employees are not really affected by companies monitoring their behaviour in the workplace as much as they are about their performance being controlled. Some may consider behavioural surveillance to be a necessary tool to create a sense of security for workers, and the public. Others may perceive it as inevitable in today's world, where every action is being recorded and tracked, consequently exhibit a general sense of tolerance and understanding towards the monitoring practice. Finally, it can be regarded as less important as it may not be directly and immediately linked to monetary rewards or punishments as in the case of performance monitoring, but concerning more the social component of the workplace environment.

The results also show that there is no empirical support to organizational justice as a moderator, nor the difference between the moderating scores of the different organizational justice dimensions.

A possible explanation for this is linked with the kind of data that was analysed. An extensive digression on this will be presented in the following paragraph, which presents the limitations of the study.

A final important finding to be discussed relates to the close relationship existing between organizational trust and organizational justice perceptions. As reported before, distributive, procedural and interpersonal justice have a positive impact on the perceived trust towards the organization. To the extent to which the decisions undertaken by the firm with regards to distribution of outcomes and resources are perceived as fair, procedures are designed to ensure transparency and impartiality, and employees are treated with dignity and integrity, organizations can benefit from increased levels of trust. It can be argued that companies have a tool to directly affect and maximize trust perceptions of employees as managerial decisions
have a direct impact on the considered organizational justice dimensions, thus, it can be used to balance out possible negative actions undertaken by companies. Improving these attitudes would also have a beneficial effect on other aspects of the workplace environment such as facilitating teamwork among colleagues, boosting motivation and reduce turnover intentions. Additionally, a trusting atmosphere will help promoting cooperation and effective communication. Therefore, this finding holds great managerial implications.
Table 1. Descriptive statistics and intercorrelations of study measures.

<table>
<thead>
<tr>
<th></th>
<th>1.</th>
<th>2.</th>
<th>3.</th>
<th>4.</th>
<th>5.</th>
<th>6.</th>
<th>7.</th>
<th>8.</th>
<th>9.</th>
<th>10.</th>
<th>11.</th>
<th>12.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Distributive Justice</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Procedural Justice</td>
<td>0.684**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Interpersonal Justice</td>
<td>0.396** 0.424*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Informational Justice</td>
<td>0.515** 0.662* 0.661**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Perceived Monitoring</td>
<td>-0.195* -0.202* -0.020 -0.110</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Organizational Trust</td>
<td>0.465** 0.414* 0.391* 0.522** 0.060</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Gender</td>
<td>-0.070 -0.150 -0.110 -0.150 -0.150 -0.140</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Age</td>
<td>-0.256* -0.216* -0.140 -0.277* 0.417* 0.050 0.010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Level of Education</td>
<td>-0.130 0.050 0.060 0.000 0.060 -0.040 -0.020 0.090</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Currently Working</td>
<td>0.331** 0.338* 0.246* 0.353** -0.224* 0.240* 0.040 -0.367* -0.130</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Working Status</td>
<td>0.110 0.090 0.130 0.225* -0.020 0.090 0.090 -0.209* -0.278* 0.833**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Years of Working Experience</td>
<td>-0.198* -0.160 -0.221* -0.299* 0.309** 0.000 0.040 0.841** 0.110 -0.322* -0.315*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Std. Deviation | 0.790 | 0.600 | 0.750 | 0.670 | 0.720 | 0.830 | 0.500 | 0.720 | 0.610 | 0.340 | 0.800 | 10.300 |

Note. *, p<0.10; **, p<0.05; ***, p<0.01.
Table 2. Results of Hypothesis Testing using Regression Analysis.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years of Working Experience</td>
<td>-0.097</td>
<td>-0.091</td>
<td>-0.065</td>
<td>-0.055</td>
<td>-0.070</td>
<td>-0.071</td>
<td>0.073</td>
<td>0.062</td>
<td>0.061</td>
<td>0.075</td>
<td>0.047</td>
</tr>
<tr>
<td></td>
<td>(-0.014)</td>
<td>(0.015)</td>
<td>(0.012)</td>
<td>(0.012)</td>
<td>(0.013)</td>
<td>(0.013)</td>
<td>(0.014)</td>
<td>(0.014)</td>
<td>(0.012)</td>
<td>(0.012)</td>
<td>(0.012)</td>
</tr>
<tr>
<td>Age</td>
<td>0.116</td>
<td>0.092</td>
<td>0.173</td>
<td>0.165</td>
<td>0.139</td>
<td>0.143</td>
<td>0.014</td>
<td>0.023</td>
<td>0.127</td>
<td>0.107</td>
<td>0.132</td>
</tr>
<tr>
<td></td>
<td>(0.205)</td>
<td>(0.216)</td>
<td>(0.181)</td>
<td>(0.181)</td>
<td>(0.191)</td>
<td>(0.191)</td>
<td>(0.198)</td>
<td>(0.200)</td>
<td>(0.177)</td>
<td>(0.183)</td>
<td>(0.176)</td>
</tr>
<tr>
<td>Perceived Monitoring</td>
<td>0.045</td>
<td>0.107</td>
<td>0.430</td>
<td>0.096</td>
<td>-0.517</td>
<td>0.037</td>
<td>0.246</td>
<td>0.043</td>
<td>-0.207</td>
<td>0.442</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.124)</td>
<td>(0.104)</td>
<td>(0.435)</td>
<td>(0.110)</td>
<td>(0.679)</td>
<td>(0.113)</td>
<td>(0.557)</td>
<td>(0.102)</td>
<td>(0.578)</td>
<td>(0.712)</td>
<td></td>
</tr>
<tr>
<td>Distributive Justice</td>
<td>0.573***</td>
<td>0.945**</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.533</td>
</tr>
<tr>
<td></td>
<td>(0.089)</td>
<td>(0.455)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.485)</td>
</tr>
<tr>
<td>Perceived Monitoring* Distributive Justice</td>
<td>-0.451</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-0.185</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.130)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.143)</td>
</tr>
<tr>
<td>Procedural Justice</td>
<td>0.488***</td>
<td>-0.054</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-0.014</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.123)</td>
<td>(0.726)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.803)</td>
</tr>
<tr>
<td>Perceived Monitoring* Procedural Justice</td>
<td>0.755</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-0.081</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.222)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.254)</td>
</tr>
<tr>
<td>Interpersonal Justice</td>
<td>0.430***</td>
<td>0.607</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.982*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.104)</td>
<td>(0.464)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.455)</td>
</tr>
<tr>
<td>Perceived Monitoring* Interpersonal Justice</td>
<td>-0.274</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-1.467**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.152)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(0.150)</td>
</tr>
<tr>
<td>Informational Justice</td>
<td>0.604</td>
<td>0.360</td>
<td>-0.478</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.106)</td>
<td>(0.618)</td>
<td>(0.748)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived Monitoring* Informational Justice</td>
<td>0.337</td>
<td>1.281</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.183)</td>
<td>(0.218)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

β0: 3.604** 3.468** 1.093** -0.181 1.051 3.331 1.674** 0.954 0.799 1.786 -0.903


R-squared: 0.004 0.006 0.314 0.319 0.234 0.242 0.180 0.181 0.338 0.339 0.469

Note. *, p<0.10; **, p<0.05; ***, p<0.01.
Chapter 5

In the following paragraph the limitations of the study will be presented, suggestions for future research are discussed, as are implications for theory and practice.

7. Limitations

This study has some limitations that should be acknowledged which are discussed in this section.

The first one is that the data collected was self-reported, thus, common method bias might have affected the reliability of the results. This limitation is particularly relevant to the analysis of the presented model given that the wrong reporting might have affected its relevance. However, given the nature of the variables included, which relied on perceptions, utilizing self-report data seemed necessary. Additionally, there is a risk of having obtained results, which suffer from non-differentiation: respondents were asked rating questions; therefore, they could have chosen a reasonable point to rate the objects and systematically used it (Krosnick and Alwin, 1988); thus, affecting reliability. Third, when completing the survey, respondents may have not paid enough attention to the subtle difference of each statement to rate, hence affecting the overall scaling system.

In spite of the efforts made, a further limitation of the study is that the sample obtained was relatively small. Unfortunately, collection of greater magnitude data was not feasible due to time, human and financial resources dedicated to this paper. In addition, it is important to highlight that the sample was not chosen randomly.

A fifth boundary of the study concerns the scales used to test the hypotheses, as they were taken from other academic papers they may have not been the perfect fit for this research, as all theoretical frameworks are constrained by their specific assumptions. Further, due the adoption of an individual survey method, it is impossible to provide strong evidence of cause and effect relationships. This is related to the next limitation, which is the fact that only a quantitative method was applied. Perhaps follow up questions could have provided further explanation, or helped in understanding the relationships at a broader level. Thus, this made it difficult to determine the true cause of the relationship; while the use of mixed method would have best suited the study. A seventh restriction of the study is that more or different control variables such as ethnic origin could have been added in order to provide a better interpretation of the results.
Moreover, although the model sought to understand the impacts on organizational trust, different and more significant dependent variables could have been taken into consideration, providing an additional perspective on the implications of behavioural monitoring. A ninth potential limit consists of the generalizability of the findings due to the nature of the sample. The sample was predominantly young and male (almost 60% of respondents). Even though the inclusion of gender demographic covariates in preliminary analyses did not affect the results of the investigation of hypotheses, it is still possible that the results would have been different given a more diverse sample. Additionally, it can be argued that as the sample was largely composed of younger individuals, their opinions might have been polarized, due to their age, limited work experience, thus, they may not have reacted the same way to behavioural monitoring, trust or fairness as older people do. This may be because they differ in job expectations or commitment as the carrier moves forward.

Another major limitation is that the size of the relationships between variables may have been inflated due to common method bias caused by factors such as the need for participants to portray themselves consistently, to reflect their own implicit theories about the relationships between the variables being studied, to respond in ways that reflect their current mood or in a socially desirable manner.

One last limitation of this research lies in the amount of literature available in the field of research of behavioural surveillance. Indeed, despite the abundance of papers on monitoring, only few of them focus on the behavioural aspect, while many of them discuss performance monitoring. It is arguable that the limitations that have been provided could be responsible for the non-significance of the study.

In the next paragraph, drawing on what has been said so far, some possible explanations for the obtained results will be presented.

8. Future research

This paper has certain implications for future research. Greenberg (1990a) argues that aspects of work environments are likely to influence employees' perceptions of fairness. Hence, a first suggestion is to replicate the study in a controlled setting, using as sample employees from the same organization, as to control for the variable of the workplace environment. As the study is based on perceptions of behavioural monitoring, organizational trust and fairness, it would be interesting to see if and how they would differ within the same company. Secondly, other control variables could be introduced to provide a better explanation for the results. An example could be controlling for the ethnicity of employees to detect common cultural
patterns, another is represented by the personality traits as personality differences may affect fairness and trust perceptions.

Since the research failed in corroborating the proposed hypothesis, future investigations should use different variables. For instance, the independent variable of perceived behavioural monitoring could be replaced by electronic performance monitoring: as it has been argued before, employees may place more importance to this dimension. Likewise, the research could investigate other possible outcomes of perceived monitoring by substituting the current dependent variable with others like job commitment, turnover intentions or retaliation. Nevertheless, it should be always taken into account that as the questionnaire relies on self-reported attitudes and perceptions, respondents may not be willing to reveal information truthfully.

Furthermore, in order to avoid and detect careless response patterns, future research design should include in the questionnaire random statements, which participants should not agree with and take into account these responses when processing the data.

Additionally, if proved that behavioural surveillance does have an impact on organizational trust, an interesting topic would be to focus on understanding whether this relationship changes over time.

Finally, it would be interesting to conduct the same research using as object of investigation perceived electronic monitoring, as it is more and more becoming a common practice nowadays.

9. Conclusion

It was clear in literature review the inadequate of research in the area of behavioural surveillance. This dearth combined with the relevance of the topic in nowadays business environment, were the reasons that lead to the development of this study.

The two hypotheses and four sub hypotheses were aimed at providing a stronger empirical evidence base in this area of research. The assumption was made that supervising behaviours of employees would negatively impact of the organisational trust dimension. Conversely, the study could generate no evidence for that. Likewise, the supposedly moderating role of organizational justice and its four different facets (procedural, distributive, interpersonal and informational) proved to be inconsistent. In consideration to the limitations and the suggestion for future research presented before, there was the will to understand why the hypothesis testing had failed and improved what has been done. Nevertheless, the paper still provided useful in adding to the current academic literature and improving the understanding of the
variables of the study as this negative result ruled out given hypothesis and opened new
questions for research.

10. Recommendations

Despite the fact that the hypotheses that have been formulated in this research did not find any
empirical demonstration, still important findings can be extracted from the overall analysis.
Indeed, this paper suggests that the level of perceived monitoring in the workplace does not
affect employees’ trust towards the organization, as there is not any type of relationship
between the two variables. Thus, as the effect of surveillance on organizational trust is most
likely small, management can implement such practices without suffering from drawbacks in
workers’ attitudes regarding this dimension. This is especially important nowadays when
companies can take advantage of new technology to monitor what is happening in the offices.
As a result of this, companies can benefit from greater alignment of purposes and increased
productivity. Nevertheless, it is to be acknowledged that this study only focuses on one
attitude displayed by employees because of perceived monitoring. Thus, as far as it is known,
despite monitoring employees will not have any negative impact on the organizational trust, it
may have great and relevant effects on other dimensions such as turnover intentions or
retaliation, just to mention some. Consequently, as nowadays in organization the human
factor is the focal point for strategic success, when introducing new practices that may affect
employees, such as monitoring their behaviour, it is recommendable to carefully analyse the
implications.
11. References


Mahroum S. (2000). Highly skilled globetrotters: mapping the international

migration of human capital, RandD Management 30 (1), 23-32.


12. **Appendix**

Monitoring in the workplace

I am a master student at FGV (EBAPE) performing this study as part of my master thesis. Thank you for supporting my research by taking part in this empirical study, your personal opinion is really important. This survey will last around 10 minutes. Your answers are absolutely anonymous and all collected information will be kept confidential. Thank you so much for your cooperation and for helping me completing my studies!

Please answer the following questions referring to your current or previous work experience. The word outcome refers to the results/performance you obtained as a result of your efforts. The following items refer to the outcome you have obtained as a result of your efforts. To what extent:

<table>
<thead>
<tr>
<th>Does your (outcome) reflect the effort you have put into your work? (1)</th>
<th>1=to a very small extent (1)</th>
<th>2=to a small extent (2)</th>
<th>3=to a moderate extent (3)</th>
<th>4= to a fairly great extent (4)</th>
<th>5=to a great extent (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is your (outcome) appropriate for the work you have completed? (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does your (outcome) reflect what you have contributed to the organization? (3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Is your (outcome) justified, given your performance? (4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following items refer to the procedures used to arrive at your result. To what extent:

<table>
<thead>
<tr>
<th>Have you been able to express your view and feelings during these procedures? (1)</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you had the influence over the (outcome)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
arrived at by those procedures? (2)

Have those procedures been applied consistently? (3)

Have those procedures been procedures of bias? (4)

Have those procedures been based on accurate information? (5)

Have you been able to appeal the (outcome) arrived at by those procedures? (6)

Have those procedures upheld ethical and moral
The following items refer to your manager. To what extent:

<table>
<thead>
<tr>
<th></th>
<th>1=to a very small extent (1)</th>
<th>2=to a small extent (2)</th>
<th>3=to a moderate extent (3)</th>
<th>4= to a fairly great extent (4)</th>
<th>5=to a great extent (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has he/she treated you in a polite manner? (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has he/she treated you with dignity? (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has he/she treated you with respect? (3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has he/she refrained from improper remarks or comments? (4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The following items refer to your manager. To what extent:

<table>
<thead>
<tr>
<th></th>
<th>1=to a very small extent (1)</th>
<th>2=to a small extent (2)</th>
<th>3=to a moderate extent (3)</th>
<th>4= to a fairly great extent (4)</th>
<th>5=to a great extent (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>extent (3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>------------</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1)</td>
<td>Has he/she ever been candid in his/her communication with you?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2)</td>
<td>Has he/she explained the procedures thoroughly?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3)</td>
<td>Were his/her explanations regarding the procedures reasonable?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4)</td>
<td>Has he/she communicated details in a timely manner?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5)</td>
<td>Has he/she seemed to tailor his/her communication to individuals' specific needs?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
On a scale of 1 (strongly disagree) to 5 (strongly agree), please indicate the extent to which you agree or disagree with each of the following statements.

<table>
<thead>
<tr>
<th></th>
<th>1= strongly disagree (1)</th>
<th>2=disagree (2)</th>
<th>3=Neither agree nor disagree (3)</th>
<th>4=agree (4)</th>
<th>5=strongly agree (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I believe my employer has high integrity (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Can expect my employer to treat me in a consistent and predictable fashion (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My employer is not always honest and truthful (3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In general, I believe my employer’s motives and intentions are good (4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I don’t think my employer treats me fairly (5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My employer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
is open and upfront with me (6)
I’m not sure I fully trust my employer (7)

Informal discussions How frequently does your general manager...

<table>
<thead>
<tr>
<th></th>
<th>1=Never (1)</th>
<th>2=Rarely (2)</th>
<th>3=Sometimes (3)</th>
<th>4=Very Often (4)</th>
<th>5=Always (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>schedule meetings with you to talk about your work progress? (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>discuss details of your work with you? (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ask you to clarify a few points on a report written about your work? (3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ask you to come to his/her office to discuss a</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
How often does your general manager exhibit the following behaviors?

<table>
<thead>
<tr>
<th>Behavior</th>
<th>1=Never (1)</th>
<th>2=Rarely (2)</th>
<th>3=Sometimes (3)</th>
<th>4=Very Often (4)</th>
<th>5=Always (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>walk around the workplace? (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>watch you as you work? (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>just stand or sit and observe everyone working? (3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>carefully examine the work you have completed? (4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
check to see if you are working efficiently? (5)

How often does your general manager meet to discuss work progress with...

<table>
<thead>
<tr>
<th>Question</th>
<th>1=Never (1)</th>
<th>2=Rarely (2)</th>
<th>3=Sometimes (3)</th>
<th>4=Very Often (4)</th>
<th>5=Always (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>you individually? (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>you and a few coworkers? (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>your entire department? (3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

What is your sex?
Male (1)
Female (2)

What is your age?
27 and under (1)
28-39 years (2)
40-59 years (3)
60 and above (4)
Please select your level of education
High school and below (1)
Bachelor's degree (2)
Master's degree (3)
Phd (4)

Are you currently working?
yes (1)
no (2)

Answer If Are you currently working? yes Is Selected
What is your working status?
Permanent (1)
Temporary (2)

How many years of working experience do you have? (number of years)
# Table of contents

1. Introduction .................................................................................................................. 7
2. Objectives ....................................................................................................................... 8
   2.1. General objectives ................................................................................................. 8
   2.2. Specific objectives ............................................................................................... 9
3. Literature review .......................................................................................................... 10
   3.1. Monitoring ........................................................................................................... 10
   3.2. Trust .................................................................................................................... 11
   3.3. Organizational justice: the four dimensions ....................................................... 13
       3.3.1. Distributive justice ..................................................................................... 14
       3.3.2. Procedural justice ..................................................................................... 15
       3.3.3. Informational Justice ............................................................................... 16
       3.3.4. Interpersonal Justice ............................................................................... 17
   3.4. The influence of organizational justice as a moderator .................................... 17
4. Hypothesis ...................................................................................................................... 18
5. Methodology ................................................................................................................ 21
   5.1. Procedure ............................................................................................................ 21
   5.2. Measurements ...................................................................................................... 21
       5.2.1. Scales .......................................................................................................... 21
   5.3. Sample ................................................................................................................ 23
6. Discussion ...................................................................................................................... 25
   6.1. Analysis .............................................................................................................. 25
       6.1.1. Results ....................................................................................................... 25
       6.1.2. Discussion ................................................................................................. 28
7. Limitations .................................................................................................................... 32
8. Future research ............................................................................................................ 33
9. Conclusion .................................................................................................................... 34
10. Recommendations ..................................................................................................... 35
11. References .................................................................................................................. 36
12. Appendix ................................................................................................................... 43
List of illustrations

List of figures
Figure 1: Model of Effects of Perceived Monitoring on Organizational Trust moderated by the Organizational Justice constructs.

List of tables
Table 1: Descriptive statistics and intercorrelations of the measures of the study.
Table 2: Results of Hypothesis Testing using Regression Analysis.