When explanations for layoffs are not enough: Employer’s integrity as a moderator of the relationship between informational justice and retaliation

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Victims of downsizing often perceive their layoff as being unfair, which can lead to various forms of retaliation. Informational justice, defined as providing employees with adequate explanations in a timely manner, has been prescribed as a way to mitigate the retaliation tendencies associated with unfairness perceptions. Few studies, however, have examined contexts in which informational justice might be more vs. less effective in this regard. In the present research, we explored whether employees’ perception of the employer’s integrity moderates the relationship between informational justice and retaliation among layoff victims. Results from a field and laboratory study suggest that informational justice helps manage retaliation only when layoff victims perceived that their employer had high (vs. low) integrity prior to the layoff. In Study 2, we found that perceived sincerity mediated the impact of informational justice by integrity interaction on retaliation.

A growing body of evidence suggests that when employees feel unfairly treated, they can engage in organizational retaliation - defined as the tendency to ‘make the wrongdoer pay’ (Skarlicki & Folger, 1997). Layoffs are particularly problematic in terms of (un)fairness perceptions because layoff victims can lose their jobs despite often being loyal and productive employees. Laid off employees can be motivated to engage in retaliation as a way to restore the balance of justice, bring a sense of resolution to the event and help them deal with the strong negative emotions that are typically experienced in response to unfairness perceptions in a layoff (Allred, 1999; Bies & Tripp, 2002). Even though laid off employees are no longer members of the organization, their retaliation can have a negative impact on the company in terms of bad-mouthing the organization to associates (Konovsky & Folger, 1991), taking legal
action (Goldman, 2001; Lind, Greenberg, Scott, & Welchans, 2000) and engaging in sabotage or violence against the company or its agents (Folger & Baron, 1996; Wilkinson, 1998).

Research suggests that informational justice - providing social accounts and explanations for unfavourable events such as layoffs - can significantly reduce the negative reactions associated with unfavourable outcomes (e.g. Greenberg, 1990a; 1994). Thus, managers are advised to provide layoff victims with an adequate explanation, as this is believed to result in lower levels of retaliation (e.g. Greenberg & Lind, 2000). A dilemma arises for managers, however, in that informational justice might not always be effective at reducing retaliation (Folger & Skarlicki, 1998). That is, despite a manager's best efforts to provide victims with layoff information, layoff victims can nevertheless engage in retaliation. Little research has considered the boundary conditions under which informational justice is more vs. less effective at reducing retaliation (see Bobocel & Zdanuk, 2005 for a discussion). Given that layoffs continue to occur with high frequency (Uchitelle, 2006), research on understanding the link between informational justice and retaliation in layoff is warranted to (a) address this gap in the literature and (b) help guide firms to effectively manage their layoffs.

We contribute to understanding the relationship between informational justice and retaliation in a layoff context in at least two ways. First, we explore a boundary condition that can moderate the efficacy of informational justice to reduce retaliation. We propose that employees' perceptions of their employer's integrity prior to the layoff moderate the relationship between informational justice and retaliation. Specifically, explanations are significantly more effective at reducing retaliation when the employer's integrity prior to the layoff is high (vs. low). We explore this issue across two studies: a field study with layoff victims (Study 1) and a scenario study (Study 2).

Second, along with evidence of the positive effects of informational justice on employees' fairness perceptions, there lies the potential for managers to use accounts and explanations to gain the benefits associated with fairness without actually being fair - a condition that Greenberg (1990b) labelled 'hollow justice'. Greenberg proposed that in these cases, employees see right through these impression management attempts and view their managers' attempts as insincere. In Study 2, we explore whether the perceived sincerity of the explanation accounts for the relationship between the integrity by informational justice interaction and retaliation in a layoff.

The present research
Organizational retaliation behaviour is defined as an individual's efforts to get even with the organization and its agents for perceived unfairness (Skarlicki & Folger, 2004). Retaliation arises from the perception that a transgressor has violated certain moral and social norms. Skarlicki and Folger (2004) proposed that retaliation involves holding someone or an organization accountable for 'placing in jeopardy certain morally valued states of affairs such as the welfare of another social actor as the victim or the healthy status of moral order' (p. 375). Thus, individuals feel justified to engage in retaliation as a way to restore moral order.

Retaliation shares conceptual overlap with other 'dark side' organizational behaviour constructs, such as antisocial behaviour (Giacalone & Greenberg, 1997), incivility (Pearson & Porath, 2004), counterproductive behaviour (Fox & Spector, 2005), and deviance (Robinson & Bennett, 1995) in that it has potentially negative consequences
for the individual, other individuals within the organization, and the organization (O’Leary-Kelly & Griffin, 2004). Skarlicki and Folger (2004) argued that retaliation differs from these other behaviours in at least two respects. First, retaliation is motivated primarily by the need to ‘make the wrongdoer pay’. Although other dark side behaviours can similarly be caused by provocation, they are also caused by a range of situational (e.g. aggressive culture, home life factors) and personality variables (e.g. negative affectivity, self-esteem; for a review, see Martinko, Douglas, Harvey, & Gundlach, 2007). Second, whereas terms such as antisocial behaviour and incivility have strong negative connotations, retaliatory responses, if not too severe, can have positive consequences for the organization and its members (O’Leary-Kelly & Griffin, 2004). Retaliation, for example, can have positive consequences when it deters power abuse by authorities, promotes cooperation between conflicting parties, and initiates positive organizational changes (Bies & Tripp, 1996).

In this paper, we focused on retaliation behaviours because we expected that participants would be more willing to self-report their behaviours if we described them as ‘retaliatory’ rather than ‘antisocial’ or ‘deviant’. Studying dark side behaviours can be challenging because there is a tendency to under-report these behaviours. Individuals are reluctant to report their own deviant or counter-productive behaviours due to the potential for reprimand, even among those individuals who are no longer part of the organization (Murphy, 1993). Labelling employee behaviours as retaliation tends to reduce concerns that their reactions are ‘bad’, which facilitates their willingness to self-report their behaviours (Skarlicki & Folger, 2004).

Organizational justice research has shown that employees’ fairness judgments are a function of the perceived fairness of outcomes received (distributive justice; Adams, 1965), the procedures used to derive outcomes (procedural justice; Thibaut & Walker, 1975), and the way in which procedures are implemented and communicated (interactional justice; e.g. Bies & Moag, 1986). Interactional justice has been further defined in terms of interpersonal justice – treatment reflecting dignity, respect and sensitivity, and informational justice – providing an adequate explanation for the decisions (Greenberg, 1993a). Most research to date has focused on the effects of distributive, procedural and interactional justice on organizational outcomes (for a meta-analytic review, see Colquitt, Conlon, Wesson, Porter, & Ng, 2001). Although informational justice demonstrates both construct and discriminant validity (Colquitt, 2001), few studies have isolated the unique contribution of informational justice to individuals’ reactions. Numerous writers have appealed for studies that specifically focus on informational justice (e.g. Cohen-Charash & Spector, 2001; Colquitt et al., 2001). We begin to address this gap in the present research.

Informational justice refers to the degree to which employees receive an explanation for the decisions made by the organization and its agents. This aspect of fairness emphasizes the role of social accounts in fairness judgments (Bies, 1987). Explanations that are adequate (clear, reasonable and appropriately detailed) and provided in a timely manner contribute to perceptions of fairness because they help layoff victims make sense of their predicament. Moreover, explanations can signal to employees that they are worthy of dignity and respect (Bies & Moag, 1986). Offering explanations for unfavourable events can ameliorate negative reactions to layoffs because they promote the belief that the decision makers’ actions were fair and the result of good judgment (Bies, 1987). Previous research has shown that providing layoff victims with an adequate explanation for the layoff increases perceptions of fairness (Brockner et al., 1994;

A practical concern with the extant research is the conclusion that managers can use informational justice principles as an effective strategy to mitigate negative reactions to unfavourable organizational decisions. Specifically, managers are encouraged to provide layoff victims with a timely and complete explanation for the layoff in order to reduce negative reactions to perceived unfairness (e.g. Cameron, Freeman, & Mishra, 1991; Greenberg & Lind, 2000). A limitation of this conclusion, however, is that managerial explanations for organizational decisions do not take place in a vacuum; rather, they occur within an organizational context. For instance, if employees’ prior experiences in a company lead them to believe that explanations are provided to create a perception of fairness without actually being fair, the explanations might not decrease retaliation.

Theory and hypotheses

In the present research, we investigated whether the relationship between informational justice and retaliation varies as a function of the employer’s integrity prior to the layoff. Integrity is defined as the employee’s perception that the organization and its agents adhere to sound moral values such as being honest and fair, and can be depended upon to act consistently with those values (Mayer, Davis, & Schoorman, 1995). Integrity has been identified as a factor that determines a target’s trustworthiness. Although previous studies have explored the relationship between fairness and trust (Brockner, 1990), little research has focused on the role of the employer’s integrity. We focus on integrity because it is closely linked to the communication aspects of informational justice. As Mayer et al. (1995) noted, integrity is ‘the consistency of a party’s actions, credible communications about the trustee from other parties, belief that the trustee has a strong sense of justice, and the degree to which the party’s actions are congruent with their words’ (p. 719). Moreover, layoffs are likely to produce conditions where the employer’s integrity becomes highly salient. According to uncertainty management theory, events that challenge one’s outcomes tend to bring into question the values underlying the decision maker’s priorities and whether the decision maker consistently adheres to these values (van den Bos, 2005). By creating uncertainty, the layoff can induce individuals to question the other party’s actions. The layoff can prompt individuals to engage in sensemaking aimed at understanding the situation and the role of the employer in causing the layoff (e.g. Folger & Cropanzano, 2001). Employees who have been laid off, for instance, often report questioning whether they should have trusted their employer’s integrity in the first place (Uchitelle, 2006).

Although fairness and integrity are inter-related, little is known regarding how they function interactively – in particular when they contradict one another. On the one hand, having high integrity is likely to help employees believe that the layoff was legitimate and necessary. Accounts given by management who have high integrity are more likely to be deemed legitimate and credible than accounts given by management with perceived low integrity (Bies, 1987). Moreover, when the manager is seen as having integrity, events that would otherwise be deemed as unfair can be given a range of latitude (c.f. Robinson, 1996). Thus, high integrity may offset retaliation in situations where informational justice is low. On the other hand, being laid off by a company deemed to have high integrity could result in a heightened sense of unfairness. Referent
cognitions theory (now subsumed under fairness theory; Folger & Cropanzano, 1998, 2001) proposes that impressions of a company’s or manager’s treatment create a reference point employees use in judging the fairness of subsequent treatment. The ease with which individuals can imagine a more favourable outcome determines fairness impressions. Thus, viewing one’s employer as having high integrity creates expectations for fair treatment that can be violated by being laid off, resulting in stronger negative reactions than had the employee had low expectations in the first place. Research on psychological contract breach (Rousseau, 1995), for instance, proposes that over time, employees develop feelings of entitlement (i.e. perceived obligations that their employers have towards them) including the expectation that the organization will treat employees in a fair and dignified way. Those employees having positive impressions of the organization and who tend to be highly committed to the company believe that the organization is fulfilling their contract obligations. By being laid off, however, victims are likely to believe that the organization did not live up to its end of the bargain and this can result in particularly negative reactions.

Layoffs can also serve as a ‘phase-shifting’ event (Lind, 2001) in which victims are ‘shocked’ by their job loss. The experience of being laid off can loom larger than the manager’s explanations in determining individual’s reactions (i.e. ‘actions speak louder than words’). A contradiction between words and deeds can reduce the benefits (i.e. lower retaliation) derived from informational justice. Brockner, Tyler, and Cooper-Schneider (1992), for instance, studied how layoff survivors’ work attitudes and behaviours changed as a function of (a) their level of organizational commitment prior to the layoff and (b) their perceptions of the fairness of the decision rule used to select who would be laid off (Study 1). They also explored how citizens’ commitment to legal authorities changed as a function of their initial level of commitment and their perceptions of fair treatment in recent encounters with legal authorities (Study 2). Across both studies, the most negative reactions were exhibited by those who previously felt highly committed but who felt treated unfairly by the institution. A clear understanding of the relationships between an employer’s integrity, informational justice and retaliation in a layoff context has not been well articulated.

Cropanzano, Byrne, Bobocel, and Rupp (2001) distinguished between two paradigms in studying fairness judgments: events vs. social entities. In the event paradigm, the emphasis is on how workers evaluate the fairness of a specific event(s) that occurred in the work environment, such as the way in which one is treated in a selection procedure or in a layoff. Since the event has often already occurred, justice judgments tend to be retrospective. For example, the measurement strategy for the event paradigm consists of asking respondents questions regarding a specific occurrence, such as ‘Was the selection procedure fair?’ or ‘Did your supervisor give you an explanation for the layoff?’

The social entity paradigm, in contrast, focuses on general evaluative perceptions about another party, or about one’s ongoing relationship with his or her organization or its agents. When respondents evaluate a social entity, they are making a judgment based on historic information, which often precedes the event, as well as making inferences about the other party’s intentions and future behaviour. Integrity would be an example of an entity evaluation because it is based on perceptions of the other party’s past behaviour and expectations of that party’s future behaviour (c.f. Mayer & Davis, 1999). When measuring entities, for example, relatively global and general measures are used, such as ‘Do you believe your employer has integrity?’
Extending Cropanzano et al.'s (2001) perspective, we propose that distinguishing between events and entities can aid our understanding of how these distinct judgments combine to influence how people react to (mis)treatment. In a downsizing situation, for example, layoff victims can react to an event stimulus, such as the way in which the layoff was handled (e.g. ‘Were you given an adequate explanation for the layoff?’). In addition, laid off workers’ reactions are also likely to be affected by their judgments of the entity, such as their assessment of the employers’ integrity. Although both event and entity judgments are relevant to understanding workplace fairness, researchers have tended to focus only on one or the other. Doing so, however, risks oversimplifying workers’ reactions to their environment and overlooks the context in which (un)fairness judgments occur.

In general terms, events (e.g. treatment by a supervisor during a specific situation) and entities (e.g. an employer’s or its agent’s integrity) can reinforce one another. As noted above, integrity is defined as employee’s perception that the organization and its agents will adhere to sound moral values such as being honest and fair (Mayer et al., 1995). On the other hand, events and entities can contradict each other. This can happen, for example, when the employer is deemed to have high integrity, yet employees perceive that they were laid off without any explanation or clear rationale. Moreover, employees might view the employer as having low integrity, yet the employer might take additional steps to explain the layoff to employees. A question of both theoretical and practical significance is: How might judgments regarding events and entities combine to predict reactions to perceived (mis)treatment?

In the present research, we consider that events are interpreted in light of entities. Individuals seek causal explanations for unusual or unexpected events (Weiner, 1986), however, they are not passive recipients of information (Einhorn & Hogarth, 1986). Fiske and Taylor (1991) proposed that prior experiences affect the information that is cognitively processed. Weick (1979) argued that ‘believing is seeing’ – people make sense of events by seeing a world on which they have already imposed what they believe. Moreover, meaning is not determined by a single communication event alone – it is interpreted in ways that fit the receiver’s prior experiences and expectations. Employees are likely to interpret managerial accounts based upon their own judgments of whether their employer has integrity.

This reasoning is consistent with fairness heuristic theory (Tyler & Lind, 1992), now subsumed under uncertainty management theory (van den Bos, 2001), which proposes that individuals are regularly confronted with uncertainty arising from social dilemmas. Contributing effort and personal resources to a work-group, for instance, can provide important rewards, including a positive self-identity. Committing to a group, however, can leave individuals vulnerable to exploitation and threats to self-identity (Lind, 2001). Constantly determining whether people will treat them fairly consumes considerable cognitive resources. Individuals can decrease the cognitive energy required to process events by relying on entity judgments, such as integrity, to make fairness-related inferences. Motivated reasoning theory (McGill, 1989) similarly suggests that employees interpret explanations in ways that are consistent with their prior beliefs. van den Bos, Vermunt, and Wilke (1997) found that workers rely on earlier impressions when making fairness judgments. Tyler, Casper, and Fisher (1989) found that single experiences did not overpower the relationship between pre- and post-experience loyalty.

Perceptions of the employer’s integrity are likely to be relevant to fairness perceptions in layoffs. Integrity creates probabilistic beliefs about the employer’s actions based on previous experience with the employer (Lewis & Weigert, 1985).
When the employer has not always acted with integrity in the past, employees are more likely to question the employer's motives and the accuracy of the information being provided. Thus, we expected that informational justice would not be as effective at mitigating retaliation in the presence of low (vs. high) integrity because individuals would not view the information as credible or sincere. Said differently, informational justice was expected to have a stronger negative relationship with retaliation when layoff victims perceive that their employers have high vs. low integrity.

**Hypothesis 1:** Layoff victims' perceptions of their employer's integrity prior to the layoff moderate the relationship between informational justice and retaliation. Informational justice relates to lower levels of retaliation when integrity is high but not when integrity is low.

The present research consisted of two studies. In Study 1, we tested the above hypothesis in a field setting. Study 2 was conducted in a laboratory, where we refined the above hypothesis and attempted to better understand Study 1’s results.

**STUDY 1**

**Method**

**Participants**

Surveys were mailed to 730 clients of an international outplacement services firm in Southern California and were returned directly to the researchers. All clients had been laid off and used the services of the outplacement firm within the previous 6 months. None of the individuals were terminated 'for cause' (e.g. poor performance or insubordination). Instead, the layoffs involved groups of employees and were guided by business strategies such as cost cutting or restructuring.

Participants were assured that their responses were completely anonymous. One hundred and seventy-three surveys were returned (24% response rate). To assess potential response bias, we examined whether our participants were somehow unique from the population of potential respondents. The management of the outplacement company indicated that our participants' demographic profile mirrored the profile of their clients. Participants were an average of 46 years of age, 64% were male, 87% were white, and had been employed by their former organization for an average of 3.22 years prior to the layoff. Respondents worked in a variety of industries including technology, energy, finance, telecommunications and bio-sciences.

**Measures**

For the fairness and integrity measures, participants responded to a five-point Likert-type scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*). Items were averaged to form the measures. Larger numbers signify greater levels than smaller numbers.

**Integrity**

We used five items from Gabarro and Athos (1976) to assess employees’ perception of their employer's integrity prior to the layoff. The stem for the items was: 'Prior to the layoff...'. Examples include: 'I believe that my employer had integrity'; 'I believe my employer was open and up front with me.'
Informational justice

Two items from Moorman (1991) were used that reflected the layoff context. Items were ‘I was given an adequate explanation for the layoff’ and ‘I received adequate notice regarding the layoff’. Since both measures contained items related to the communication of information, we conducted a confirmatory factor analysis using EQS 5.7 to provide evidence of the discriminant validity for the integrity and informational justice measures. Results indicated that a one-factor model, with the five integrity items and two informational justice items loading on one latent factor, did not fit the data, $\chi^2(14, N = 173) = 88.50$, $p < .01$, CFI = 0.82, BBNFI = 0.80 and BBNNFI = 0.73. A two-factor solution, with the five integrity items loading on one factor and the two informational justice items loading on a second factor, significantly improved model fit and had acceptable fit to the data, $\chi^2(13, N = 173) = 23.78$, $p < .05$, $\Delta\chi^2 = 64.67$, $p < .01$, CFI = 0.97, BBNFI = 0.95, BBNNFI = 0.96 (Bentler, 1990).

Retaliation

To assess retaliation, we asked participants to write a half-page description of how they reacted to the layoff, including whether they tried to get even. We used an open-ended format because free report options have been shown to demonstrate higher retrospective accuracy than forced reports (Koriat & Goldsmith, 1994). Two doctoral students, who were blind to the hypothesis and how the participants responded to the other survey measures, independently content-coded the qualitative responses using an inductive approach (as opposed to deductively where a framework is imposed). The responses were coded 1, no retaliation was described; 2, minor retaliation was considered (e.g. ‘I considered getting even’); 3, major retaliation was considered (e.g. ‘I thought about putting a pile of - on the Vice President’s desk’); 4, minor and legal retaliation that was enacted (e.g. ‘I spoke with my lawyer’); 5, major retaliation was enacted (e.g. ‘I destroyed important documents’). This coding scheme reflected two assumptions: (a) intentions are less injurious to an organization than are enacted behaviours and (b) major forms of retaliation are of a more serious nature than minor forms. Moreover, this coding scheme was deemed to reflect a victim’s motivation to ‘get even’. For instance, the highest score would be given to those responses that could be highly risky to the victim (e.g. breaking the law). The intra-class reliability was .94. Higher numbers signify greater levels of retaliation than lower numbers.

Control variables

Previous studies have shown that retaliation can be aroused by violations of multiple justice dimensions and that the different justice dimensions are highly intercorrelated (Colquitt et al., 2001; Skarlicki & Folger, 1997). To isolate the relationship between informational justice and retaliation, we statistically controlled for distributive, procedural and interpersonal justice in our analysis. Distributive justice, defined in terms of outcome favourability, was assessed with four items based on Brockner, DeWitt, Grover, and Reed (1990). These items were used because they are appropriate for a layoff setting. Examples of items included, ‘I received a favourable severance package’, ‘I was given adequate assistance to find new employment’. Procedural justice was assessed with three items previously used in layoff research (e.g. Brockner et al., 1994; Konovsky & Folger, 1991), for example: ‘The procedures used by the company to
conduct the layoffs were fair', ‘During the layoff, my company treated employees consistently'. **Interpersonal justice** was measured by a 3-item scale modified from Moorman (1991). Items included, ‘In the layoff, my supervisor treated me with dignity and respect'; ‘My supervisor listened to my personal concerns’.

Because time laid off can serve as an outcome of the layoff, we controlled for the **number of months** respondents took to find new work. Last, we controlled for the **tenure** (in years) of respondents employed by the company that laid them off.

### Results and discussion

The means, reliabilities (Cronbach’s alpha), and correlations among the variables are shown in Table 1. To test the hypotheses, we conducted hierarchical regression analysis following procedures recommended by Aiken and West (1991). In Step 1 we entered the control variables, in Step 2 we entered the main effects of informational justice and integrity and in Step 3 we entered the interaction term for informational justice and integrity. In order to reduce problems associated with multicollinearity (e.g. Marquardt, 1980; Neter, Wasserman, & Kutner, 1989), the predictor variables (informational justice and integrity) were centred (i.e. put in deviation score form with a mean of zero) and the interaction term was formed by multiplying the two centred predictors. We also computed variance inflation factors (VIFs) to examine whether multicollinearity posed a problem for our analyses. Neter *et al.* (1989) indicated that variance inflation factors in excess of 10 signify that multicollinearity is unduly influencing the results. In this study, the VIF scores ranged from 1.09 to 2.67, which are well below that threshold. Thus, multicollinearity among the variable sets was deemed not to be a concern.

<table>
<thead>
<tr>
<th>Table 1. Means, standard deviations, correlations, and reliability estimates (Study 1)</th>
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<tbody>
<tr>
<td><strong>Mean</strong></td>
</tr>
<tr>
<td>1. Retaliation</td>
</tr>
<tr>
<td>3. Procedural justice</td>
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<tr>
<td>4. Interpersonal justice</td>
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<tr>
<td>5. Informational justice</td>
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<tr>
<td>6. Employer’s integrity</td>
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<tr>
<td>7. Tenure</td>
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<td>8. Months until new work</td>
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</tbody>
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*Note: N = 173; Reliabilities are shown along the diagonal in parentheses.

*p < .05; **p < .01; ***p < .001.*

The results, presented in Table 2, indicate that the two-way interaction between informational justice and integrity was significantly related to retaliation ($\beta = -0.22$, $p < .05$). The form of the interaction is shown in Figure 1. Following Aiken and West (1991), we tested for the significance of the simple slopes of the relationship between informational justice and retaliation under conditions of high and low integrity. For individuals who rated their employer’s integrity as high, informational justice related negatively with retaliation. However, this slope was not significant ($\beta = -0.07$, $p > .05$).
For individuals who viewed employer’s integrity as low, informational justice was positively related to retaliation ($\beta = 0.37$, $p < .05$). These results suggest that informational justice was more effective at managing retaliation when integrity was high than when integrity was low. However, because retaliation did not decrease significantly when integrity was high, Hypothesis 1 received only partial support.

Table 2. Results of regression analysis (Study 1)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
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<tbody>
<tr>
<td>Control variables</td>
<td></td>
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<tr>
<td>Distributive justice</td>
<td>-.16</td>
<td>-.20</td>
<td>-.23*</td>
</tr>
<tr>
<td>Procedural justice</td>
<td>-.05</td>
<td>-.13</td>
<td>-.05</td>
</tr>
<tr>
<td>Interpersonal justice</td>
<td>-.13</td>
<td>-.16</td>
<td>-.14</td>
</tr>
<tr>
<td>Tenure</td>
<td>.06</td>
<td>.08</td>
<td>.10</td>
</tr>
<tr>
<td>Months until new work</td>
<td>-.03</td>
<td>-.04</td>
<td>-.08</td>
</tr>
<tr>
<td>Predictors</td>
<td></td>
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<tr>
<td>Informational justice</td>
<td>.18</td>
<td>.15</td>
<td></td>
</tr>
<tr>
<td>Employer’s integrity</td>
<td>-.05</td>
<td>-.08</td>
<td></td>
</tr>
<tr>
<td>Informational justice $\times$ integrity</td>
<td>-.22*</td>
<td></td>
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</tbody>
</table>

Note. *$p < .05$; 1 For Step 1, $R^2 = .06$, $p > .05$; for Step 2, $\Delta R^2 = .02$, $p > .05$ and for Step 3, $\Delta R^2 = .04$, $p < .05$.

Although our focus in this study was informational justice, we also examined the relationship of the other justice dimensions with integrity and retaliation (see Table 3 for a summary of the results). The results indicated that the distributive and procedural justice interacted with integrity to predict retaliation, but interpersonal justice did not. Interestingly, the pattern of the interaction was different for distributive and procedural justice when compared with informational justice. As reported above, informational justice related positively with retaliation when the employer’s integrity was low and was not associated with retaliation when integrity was high. With distributive and procedural justice, the results were the opposite: both justice dimensions were not related to retaliation when the employer’s integrity was low but were negatively related with retaliation when integrity was high.

We suspect that the differences in the patterns of slopes reflect the unique nature of informational justice in layoffs. Distributive (outcomes received in a layoff) and procedural justice (layoff procedures) represent an organization’s tangible efforts regarding fairness that can mitigate retaliation when the employer’s integrity is high, but have little relation with retaliation when integrity is low. It appears that low integrity reduces the benefits derived from high distributive and procedural justice in terms of lowering retaliation. Informational justice amid perceptions of low integrity, in contrast, related to higher levels of retaliation. These exploratory results point to an important premise underlying employees’ perceptions of integrity, namely that a company’s ‘actions speak louder than words’. We speculate that one reason for enhanced retaliation under conditions of low integrity is that layoff victims viewed informational justice as ‘cheap talk’ (Bottom, Gibson, Daniels, & Murnighan, 2002) and found this distasteful, leading to higher levels of retaliation. Last, it is difficult to know with
certainty why interpersonal justice did not interact with integrity to predict retaliation. One possibility is that integrity was highly related to interpersonal justice (as shown in Table 1, integrity relates higher with interpersonal justice than the other justice dimensions), and this rendered the interaction term non-significant. Although a comparison among different aspects of justice was not the focus of the present study, the results provide evidence of the discriminant validity of informational justice.

Although the findings that informational justice related positively to retaliation under conditions of low integrity are intriguing, they are consistent with other research. In a study of retaliation in a negotiation context, for example, Skarlicki, Folger, and Gee (2004) found that when participants received unfavourably low offers, they were more likely to retaliate (e.g. punish the transgressor) when the low outcome was accompanied by an interpersonal fair message (e.g. politeness or an apology) than when these messages were absent. In their study, the perceived sincerity of the message was found to mediate the effect of the message on participants’ reactions.

A second study was deemed necessary for several reasons. First, a limitation of Study 1 is that we did not explain why the negative association between informational justice and retaliation was not observed under conditions of low integrity. As was found in Skarlicki et al. (2004), it is plausible that low integrity detracts from the perceived sincerity of the explanation, and this offsets any benefit achieved by informational

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**Figure 1.** The moderating effects of employer’s integrity prior to the layoff on the relationship between informational justice and retaliation (Study 1).

![Graph showing the moderating effects of employer's integrity on the relationship between informational justice and retaliation](image)

*Note. Response sets for retaliation ranged from 1 - 5.*
justice. Second, although we controlled for relevant confounding variables in the analysis, we had no way of knowing whether some other unmeasured variable accounts for our findings. For example, perhaps different companies used different explanations to announce the layoff, and this impacted the results. Third, our findings might have been affected by response bias. For instance, it is possible that respondents with positive attitudes toward their former employer or towards the outplacement firm were more likely to respond to a questionnaire and these individuals might report very little retaliation towards their previous employer. On the other hand, highly disgruntled employees might have used the survey to vent their anger. A fourth issue concerns the construct validity of our integrity measure. We cannot confirm whether participants’ assessment of their employers’ integrity prior to the layoff was affected by the layoff, by some rationalization process, or by being asked about the experience. Fifth, although we emphasized the impact of entity judgments on individuals’ reactions to informational justice, due to the cross-sectional nature of our data, the direction of causality could not be inferred. It is possible, for instance, that retaliating employees engaged in cognitive dissonance: they first engaged in retaliation, and then subsequently attributed their retaliation to their employer’s low integrity and unfair treatment as a way to justify their actions. Thus, we needed to test for the direction of causality among the variables. Moreover, informational justice was measured with only two items, raising questions regarding the measure’s reliability. Finally, given that most of our measures were provided by a single source, common method variance cannot be completely ruled out as a threat to the internal validity of our findings. Study 2 was designed to address these issues.

### STUDY 2

The objectives of Study 2 were twofold. First, we tested in a layoff context whether the perceived sincerity of the account giver explains the relationship between the integrity by informational justice interaction and retaliation. We reasoned that when the

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**Table 3. Results of regression analysis predicting retaliation from the interaction between dimensions of justice and integrity (Study 1)**

<table>
<thead>
<tr>
<th>Justice dimension</th>
<th>Justice dimension × integrity predicting retaliation</th>
<th>High prior integrity</th>
<th>Low prior integrity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Informational</td>
<td>$\beta = -0.22, p &lt; .05$</td>
<td>$\beta = -0.07, p &gt; .05$</td>
<td>$\beta = 0.37, p &lt; .05$</td>
</tr>
<tr>
<td>Distributive</td>
<td>$\beta = -0.28, p &lt; .01$</td>
<td>$\beta = -0.47, p &lt; .01$</td>
<td>$\beta = 0.03, p &gt; .05$</td>
</tr>
<tr>
<td>Procedural</td>
<td>$\beta = -0.22, p &lt; .05$</td>
<td>$\beta = -0.37, p &lt; .05$</td>
<td>$\beta = 0.03, p &gt; .05$</td>
</tr>
<tr>
<td>Interpersonal</td>
<td>$\beta = -0.01, p &gt; .05$</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

Note: These analyses followed the same procedures described in the Study 1 methods section. Specifically, Step 1 included the control variables (the number of months respondents took to find new work, tenure at the company, and the other three dimensions of justice), Step 2 included the centred predictor terms for integrity and the focal justice dimension, and Step 3 included the interaction term. Simple slope analyses reflect the relationship between the justice dimension and retaliation at high and low levels of employer’s integrity prior to the layoff. Because the interaction term between interpersonal justice and integrity was not significant, simple slopes are not reported.
communicator is perceived to have high integrity, individuals are likely to interpret the communication as sincere, and sincere explanations lead to lower levels of retaliation. In contrast, employees who believe their employer lacks integrity are likely to doubt the sincerity of the supervisor's explanations and attempts to provide informational justice will be less likely to reduce retaliation.

Second, we aimed to address some of the potential limitations of Study 1. Study 2 consisted of a laboratory study in which we used a scenario to manipulate employer's integrity prior to a layoff and the degree to which their supervisor provided them with an adequate explanation regarding their layoff. We measured participants' perceptions of the sincerity of the explanation and their retaliatory reactions. This research strategy had several advantages over Study 1: (a) the content of the explanation was held constant across conditions, (b) the causal direction of the factors from integrity and fairness to retaliation was tested, (c) common method variance concerns were reduced by manipulating rather than measuring our independent variables and (d) our manipulations provided assurances of the construct validity of our variables of interest.

Based on uncertainty management theory, we predicted that perceived sincerity mediates the effect of the integrity by informational justice interaction on retaliation. van den Bos (2005) proposed that fairness has a profound effect on individuals because they tend to be uncertain about how to react to situational factors (such as explanations). The employer's integrity was expected to inspire confidence that the explanation was sincere. Under conditions of high employer integrity, individuals are less likely to question the sincerity of the explanation. The perceived sincerity gives the information greater credibility and informational justice is thus more efficacious in managing retaliation. In short, the uncertainty regarding the layoff is reduced. When integrity is low, however, individuals are likely to have greater uncertainty regarding the sincerity of the message giver and the credibility of the information, which can reduce the effectiveness of informational justice for reducing retaliation.

**Hypothesis 1:** Perceived sincerity mediates the effect of the integrity by informational justice interaction on retaliation.

**Method**

**Participants and procedure**

Participants were 57 middle managers who were attending classes at a university located in western Canada. Participants were an average of 30 years of age, 68% were male, had an average of 6.61 years of work experience, and represented a variety of industries including engineering, finance, technology and telecommunications. We used a scenario study consisting of a 2 (low vs. high integrity) by 2 (low vs. high informational justice) factorial design. Participants were randomly assigned to conditions and were assured anonymity.

Participants were asked to assume the role of the employee in the scenario. The scenarios are provided in the Appendix. The high integrity condition stated that over the past 5 years that they had been with the company, they had few reservations about the integrity of their employer. Specifically, they found that their employer had high integrity and appeared to be open and honest with them. The low integrity condition stated that they felt that their employer had low integrity and did not appear to be open and honest with them.
The high informational justice condition stated that when their supervisor called them into the office to let them go from the company, he gave them a thorough and detailed explanation for the layoff including where the company was headed in terms of its strategy, why the layoffs were necessary, which departments were being downsized and how this downsizing was essential for the company survival. The low informational justice condition stated that they received very little information from their supervisor regarding the reasons for the layoff.

**Measures**

For each of the measures, participants responded to a seven-point Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree). Items were averaged to form the measures. Larger numbers signify greater levels than smaller numbers.

**Manipulation checks**

In order to ensure our manipulations were effective, we measured employer integrity prior to the layoff and informational justice. **Employer integrity prior to the layoff** was measured with a five-item scale from Gabarro and Athos (1976). The stem for the items was, ‘Based on the scenario, please indicate the extent you agree with the following statements’. **Prior to the layoff** items included, ‘I believe that my employer had integrity’; ‘I believe my employer was open and up front with me’. **Informational justice** was measured with a four-item scale from Colquitt (2001). The stem for informational justice items was ‘**During the layoff** . . .’ Sample items include, ‘My supervisor thoroughly explained the situation’, and ‘My supervisor gave me a reasonable explanation’.

**Perceived sincerity**

Perceived sincerity of the explanation was measured with a three-item scale drawn from Skarlicki et al. (2004). The stem of the questions was ‘**During the layoff** . . .’. Examples included: ‘My supervisor was sincere in the way he treated me’, and ‘My supervisor’s explanation was sincere’.

**Retaliation**

We assessed retaliation intentions based on studies that show the single best predictor of actual behaviour is the intention to perform the behaviour (Fishbein & Ajzen, 1974). Retaliation intentions were measured using five items from McCullough et al. (1998) that were modified to assess retaliatory intentions in the layoff context. Sample items are, ‘I would try to get my supervisor fired’, and ‘I would try to get even’.

**Results and discussion**

We first tested whether our manipulations were effective. Participants in the low employer integrity condition (\(M = 2.65, SD = 1.10\)) rated the integrity manipulation check significantly lower than those in the high employer integrity condition (\(M = 4.58, SD = 1.47\)), (\(t(49) = 5.58, p < .001\)). Similarly, participants in the low informational justice condition (\(M = 1.81, SD = 1.32\)) rated informational justice
manipulation check significantly lower than did the participants in the high informational justice condition ($M = 5.09, SD = 1.50$), ($t(50) = -8.62, p < .001$). We concluded that the manipulations produced their intended effects.

The means, reliabilities (Cronbach’s alpha), and correlations among the variables are shown in Table 4. We tested our hypothesis that perceived sincerity mediates the effect of the employer integrity by informational justice interaction on retaliation by following mediated moderation regression procedures recommended by Baron and Kenny (1986). To keep the scenarios relatively straightforward and simple and to isolate the effects of informational justice, we did not manipulate the other forms of justice. We did not expect participants to have a basis for assessing the other justice aspects and we did not control for them in our analyses. The employer integrity and informational justice were dummy-coded as 0, low and 1, high levels. We conducted multiple regression analysis by first examining whether the relationship between informational justice and retaliation was moderated by integrity. In Step 1 we entered the dummy variables for the integrity and informational justice, and in Step 2 we entered the interaction term. Results indicated that the interaction term was significant ($b = -0.43, p < .05$, see Figure 2).

Specifically, informational justice was negatively related to retaliation for employees with high employer integrity ($b = -0.48, p < .01$). In contrast, informational justice was not significantly related to retaliation for employees with low employer integrity ($b = -0.03, p > .05$).

In order to establish mediated moderation, three conditions must hold (Baron & Kenny, 1986). First, the predictor (interaction between the integrity and informational justice, while controlling for the main effects) must be related to the criterion variable (retaliation). Second, the predictor must be related to the mediator (sincerity). Third, when retaliation is regressed on both the predictor and the mediator variables, the strength of the predictor must drop relative to the first condition and the mediator must be related to the criterion variable. All analyses were conducted with the main effects included in the model. Results indicated that the interaction between employer integrity prior to the layoff and informational justice significantly predicted retaliation ($\beta = -0.43, p < .01$), satisfying Condition 1. The interaction term also significantly predicted sincerity ($\beta = 0.60, p < .001$), satisfying Condition 2. When the model included both the interaction term and the sincerity, the interaction term became non-significant ($\beta = -0.12, p > .05$), whereas sincerity remained a significant predictor of retaliation ($\beta = -0.42, p < .05$). Thus, our hypothesis was supported (see Table 5 for a summary of the results).

Table 4. Means, standard deviations, correlations, and reliability estimates (Study 2)

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Retaliation</td>
<td>4.29</td>
<td>1.60</td>
<td></td>
<td>0.88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Informational justice</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-0.27</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Employer’s integrity</td>
<td>-</td>
<td>-</td>
<td>-0.30*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Sincerity</td>
<td>2.98</td>
<td>1.82</td>
<td>-0.48**</td>
<td>0.49**</td>
<td></td>
<td>0.05 (93)</td>
</tr>
</tbody>
</table>

Note. Reliabilities are shown along the diagonal in parentheses. Integrity is coded 0, low prior integrity and 1, high prior integrity. Informational justice is coded 0, low informational justice and 1, high informational justice.

*p < .05; **p < .01.
Retaliation from layoff victims, whether in the form of badmouthing the company, taking legal action or engaging in violent acts, can have a negative impact on an organization. Informational justice (i.e. offering complete explanations for decisions, providing adequate notice) can reduce employees’ tendency to retaliate for perceived unfairness. Few studies, however, have explored the conditions under which this relationship might not hold. Although our primary hypothesis was only partially

Figure 2. The moderating effects of employer’s integrity prior to the layoff on the relationship between informational justice and retaliation (Study 2).

Table 5. Results of regression analysis (Study 2)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Sincerity$^1$</th>
<th>Retaliation$^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Step 1</td>
<td>Step 2</td>
</tr>
<tr>
<td>Predictors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Informational justice</td>
<td>0.50***</td>
<td>0.15</td>
</tr>
<tr>
<td>Employer’s integrity</td>
<td>0.07</td>
<td>−0.27</td>
</tr>
<tr>
<td>Informational justice × integrity</td>
<td>0.60***</td>
<td>−0.43*</td>
</tr>
<tr>
<td>Sincerity</td>
<td>−0.42**</td>
<td></td>
</tr>
</tbody>
</table>

Note: $^1$ For Step 1, $R^2 = .25$, $p < .001$ and for Step 2, $\Delta R^2 = .13$, $p < .001$; $^2$ For Step 1, $R^2 = .17$, $p < .01$; for Step 2, $\Delta R^2 = .07$, $p < .05$ and for Step 3, $\Delta R^2 = .10$, $p < .05$.

GENERAL DISCUSSION

Retaliation from layoff victims, whether in the form of badmouthing the company, taking legal action or engaging in violent acts, can have a negative impact on an organization. Informational justice (i.e. offering complete explanations for decisions, providing adequate notice) can reduce employees’ tendency to retaliate for perceived unfairness. Few studies, however, have explored the conditions under which this relationship might not hold. Although our primary hypothesis was only partially
supported, we found that among employees who reported that their employer had low integrity prior to the layoff, explanations might not be sufficient to lower levels of retaliation.

The theoretical significance of this research is four-fold. First, the results from Study 1 and Study 2 suggest that perceptions of the employer's integrity moderate the relationship between informational justice and layoff victim's retaliatory responses. For individuals who believed their employer had high integrity prior to the layoff, informational justice helped manage layoff victims' retaliation in terms of (a) preventing the increase in retaliation that was observed among individuals who perceived their employer to have low integrity in Study 1 and (b) decreasing retaliation in Study 2. For individuals who believed their employer had low integrity prior to the layoff, retaliation was high regardless of the level of informational justice; in fact retaliation tended to increase as more information was provided to employees (Study 1). These results suggest that informational justice might not always translate into reduced retaliation, particularly when the employer's integrity is low.

Second, one reason that informational justice might not be effective in reducing retaliation is that individuals who generally perceive their employer's integrity as low also doubt the sincerity of the explanation. Specifically, individuals who perceived that their employer had low integrity might have viewed managerial attempts at informational fairness as hollow justice and found the explanations particularly objectionable, which increased their inclination to punish the employer through retaliation. Informational justice during a layoff, for instance, can be regarded as inconsistent by employees who believe the employer has low integrity, with employees questioning why managers chose to behave 'fairly' during the layoff after not having demonstrated integrity previously. In Study 2, the sincerity of the explanation mediated the effects of low prior integrity on retaliation intentions. In short, the present research demonstrates that organizations might not always reap the rewards of lower retaliation by simply providing explanations to employees at the time of layoffs. Instead, the effectiveness of an explanation depends on the context in which it occurs, in particular, whether the layoff victims believed their employer had integrity prior to the layoff. Moreover, it is not enough to simply provide an explanation for the layoff; the explanation must also be viewed as sincere in order to decrease retaliation – a particularly difficult challenge when the employer is perceived to lack integrity.

Third, previous justice research has tended to focus on the fairness of a specific event (such as how a layoff is conducted), and overlook the context in which the treatment occurs. We tested the merits of distinguishing long term and enduring organizational phenomenon (i.e. social entities) from specific episodes (i.e. events) as proposed by Cropanzano et al. (2001). From a theoretical perspective, the present research shows that the relationship between an event (in this study, informational justice in a layoff) and a behavioural reaction to the event can be a function of evaluations of a social entity (in this case, the employer's integrity). The results of our study support uncertainty management theory (Lind & van den Bos, 2002) in that employees’ prior impressions of their employers’ integrity moderate their interpretation of the employers’ subsequent explanation for the layoff, which in-turn predicted employees’ retaliation. Thus, to understand reactions to such events as layoffs, researchers need to consider the interplay between factors related to events (e.g. a supervisor’s fair treatment during a specific situation) and entities (general perceptions of ones’ employer).

Fourth, writers have debated whether organizational justice is best represented as a three- or four-factor model (see Colquitt & Shaw, 2005 for a discussion). Part of the
discussion involves whether interactional justice should be partitioned into informational and interpersonal justice. Although not a central focus of this study, our results from Study 1 show that informational justice explained variance in retaliation after controlling for the other three forms of justice, providing support for a four-factor model (i.e. distributive, procedural, informational, and interpersonal justice). Moreover, our ancillary analysis revealed that informational justice functioned differently from the other aspects of justice. We propose that informational justice warrants research on its own right.

From a practical perspective, our results show that informational justice might not always provide a solution for avoiding the potential fall-out associated with layoffs. In conditions where the employer has a history of low integrity (e.g. where an employer's actions are seen to be different from words), retaliation is a high possibility even when the supervisor provides an explanation. We do not suggest, however, that informational justice should not be encouraged; only that its positive effects will be better realized for employees who deem their employer as having integrity. By not providing any information at all, managers run the risk of retaliation among all employees. Critical to managing retaliation, however, is that firms need to take steps to increase the sincerity of the explanation. One strategy may be to provide transparency, such as by inviting employee representatives to participate in the discussions or by revealing company records to their employees (for other examples, see Tapscott & Ticoll, 2003). We also propose that while the leaders' treatment of the layoff victims during the layoff is indeed important, the antecedents of retaliation do not begin there, but in the history of previous actions related to integrity. Thus, to the degree that managers are interested in reducing the potential negative effects that may be associated with difficult organizational decisions, they should be advised to make efforts to build integrity well in advance of negative organizational events such as layoffs.

Our research has both strengths and potential limitations. A unique feature of Study 1 is that retaliation was assessed using qualitative responses from the layoff victims. Two raters independently coded the responses, with high inter-rater agreement. An open-ended questionnaire was used because it tends to exhibit higher retrospective accuracy than forced reports (Koriat & Goldsmith, 1994). Given that all the data for each participant came from a single source, however, the possibility of common method bias cannot be ruled out. Second, our cross-sectional data prevents us from making claims regarding the directional of causality among the variables. In Study 2, however, we manipulated integrity and informational justice and found that this has a causal impact on retaliation. Thus, the data from Study 2 provide evidence of causality from integrity and fairness to retaliation rather than the other way around. Third, since our response rate was low, we assessed whether our participants somehow differed from the population of potential respondents. As noted above, results showed that our participants' demographic profile mirrored that of non-participants. Fourth, in Study 1, we measured informational justice with a two-item measure that has been used in previous research conducted in layoff contexts. We used this measure because it targeted the essence of informational justice in this particular context. Although this measure had adequate reliability, a more extensive or broad measure might have provided a more comprehensive view of informational justice. This measure, however, demonstrated the same pattern of correlations with the four-item scale of the same construct that was used in Study 2. Specifically, the relationship between informational justice and retaliation as well as integrity was similar (i.e. in the same direction and of the same relative strength) across both studies. Moreover, concerns regarding the measures...
of prior integrity and informational justice in Study 1 were alleviated by the scenario design in Study 2, which manipulated rather than measured these two factors. Finally, Study 1 respondents were not representative of all layoff victims. They were provided with outplacement services, which might have signalled the company’s concern for the layoff victims. Therefore, we cannot tell whether the results generalize to other downsizing situations.

We conducted Study 2 to address many of these potential concerns. Our key finding that perceptions of the employer’s integrity interact with informational justice to predict retaliation replicated, but the slopes were different between the two studies (see Figures 1 and 2). One interpretation of these differences is that negative reactions among participants who believed their employers lacked integrity appeared to be stronger in Study 1 than Study 2. This might have occurred because the laboratory manipulation had less impact for participants than an actual layoff and participants were reporting retaliation intentions rather than actual retaliation. We also speculate that the slopes in Figure 1, indicating that informational justice relates to greater retaliation for victims who deem their employer to have low integrity, represent a layoff victim’s moral outrage with a low integrity employer’s attempts to behave in a self-righteous manner by offering an explanation. Layoff victims likely see this behaviour as particularly distasteful and experience an increased motivation to retaliate.

Although we controlled the manager’s account in Study 2, it is important to consider that managers are likely to vary in the explanations they provide. For instance, causal (e.g., ‘We had to layoff employees because of an economic recession’), ideological (‘Laying off workers helps improve the company’s ability to survive’) and penitential accounts (‘We are really sorry to have to resort to these layoffs’) may vary in their effectiveness in reducing retaliation. The effect of different social accounts on retaliation in the context of low and high integrity warrants future study. Moreover, it is reasonable that employees may respond differently to layoff explanations. Thus, future research might explore whether individual differences among layoff victims, including such factors as personality (e.g., negative affectivity), job and layoff experience, and age, moderate the relationships observed in the present studies.

In summary, we explored whether providing an adequate explanation is universally effective in mitigating negative reactions to layoffs. We found that layoff victims’ perceptions of their employer’s integrity prior to the layoff moderate the relationship between informational justice and retaliation. This suggests that if companies and managers are perceived to have low integrity, even doing the right thing by providing an explanation might not be sufficient to provide benefits in terms of reduced retaliation. In order to reap the rewards of fairness, organizations need to focus not only on being fair during specific events, but also demonstrating integrity with their employees.

**Acknowledgements**

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**References**


Appendix: Study 2 scenario manipulations

Low integrity/low informational justice

You have been working at your company for about 5 years. During that time, you have never quite felt that you could trust your company or John, your supervisor. Despite the company going through a lot of changes, he rarely, if ever, takes the time to provide you and your co-workers with the rationale for the changes or the decisions that he and the company make. Instead, you learn about most things via the grapevine. On the rare occasions when John provided you with an explanation, you believed it was because it suited his agenda or made him look good and not because he was trying to be open and honest with you. Thus, you have considerable concerns about his integrity.

Today, John called you into his office. He informed you that the company is downsizing and you are among those who will be laid off. In the meeting, he told you very little about why this was happening; no explanation of where the company was headed in terms of its strategy, why the layoffs were necessary, which departments were being downsized, or how this downsizing would affect the company’s survival. Further, he never explained why you, in particular, were being laid off.
You have been working at your company for about 5 years. During that time, you have felt quite certain that you could trust your company and John, your supervisor. Despite the company going through a lot of changes, he normally takes the time to provide you and your co-workers with the rationale for the changes or the decisions that he and the company make. You rarely learn about things via the grapevine. On the numerous occasions when John provided you with an explanation, you believed it was because he was trying to be open and honest with you, and not because it suited his agenda or made him look good. Thus, you have no concerns about his integrity.

Today, John called you into his office. He informed you that the company is downsizing and you are among those who will be laid off. In the meeting, he gave you a complete and detailed explanation of where the company was headed in terms of its strategy, why the layoffs were necessary, which departments were being downsized and how this downsizing was essential for the company’s survival. Further, he explained why you, in particular, were being laid off.