

Supervisor Perceptions of Unfair Treatment by Subordinates: Supervisor Forgiveness and Retaliation

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The current focus on fairness and justice issues within organizations predominantly focuses on frontline employees, with only a limited number of studies delving into the perceptions of fairness among managerial staff. However, understanding how supervisors react to unfair treatment by their subordinates, particularly in terms of forgiveness and retaliation, is crucial in shaping leadership styles. This paper provides a concise review of organizational justice perspectives and research, establishes the conceptual implications of supervisor perceptions of unfair treatment by subordinates, and explores the repercussions of supervisor forgiveness and retaliation. Additionally, it discusses the potential impact of these actions on group climate and individual/group effectiveness while considering moderating variables such as emotional connections between supervisors and the organization or subordinates. The paper proposes a conceptual framework outlining the potential consequences when supervisors experience unfair treatment from subordinates and choose forgiveness or retaliation. The paper concludes by presenting nine research propositions to guide future studies and suggests potential avenues for further research and practical implications.

Keywords: *Forgiveness Climate, Justice Climate, Scope of Justice, Restorative Justice, Retributive Justice*

Extended Abstract

In the organizational context, perceived injustice often arises in situations of power imbalance, particularly affecting employees who occupy lower positions in the power hierarchy. This has led to a limited scholarly focus on the unfair treatment experienced by managerial personnel within organizations (Liu et al., 2017), especially unfair treatment of supervisors by their subordinates. However, subordinates' behavior can make supervisors feel unfairly treated, such as when subordinates betray their supervisors' trust (Elangovan & Shapiro, 1998). Supervisors may respond to such feelings of unfairness. For example, as observed by Cheng (1995), when subordinates who were previously considered insiders betray the trust and confidence of their leaders, the leaders may reclassify them as outsider subordinates. In such cases, the leaders may cease to seek the opinions of these subordinates, no longer caring about their feelings or well-being and instead adopting a pragmatic, rule-based approach to handling matters involving them.

Supervisors' response to their unfair treatment by subordinates is currently under-researched. In the Chinese context, influenced by traditional Chinese culture, supervisors may display an authoritative demeanor, demonstrating their personal authority by retaliating against subordinates who treat them unfairly (Chou et al., 2010; Farh & Cheng, 2000). However, Chinese management thinking also places emphasis on demonstrating tolerance and magnanimity in leadership, potentially leading supervisors to forgive subordinates for treating them unfairly (Farh & Cheng, 2000; Lin & Cheng, 2012). It is noteworthy that supervisors' reactions may significantly impact the entire work group.

Recent studies have proposed that forgiveness and revenge play crucial roles in individuals' efforts to restore fairness (Bobocel, 2013; Bradfield & Aquino, 1999). Revenge involves directly taking actions to restore fairness, such as damaging the reputation or resources of the other party. In contrast, forgiveness emphasizes

longer-term relationships and the willingness to forgo opportunities for retaliation (Aquino et al., 2001; McCullough et al., 2000). Choosing to take revenge and choosing to forgive have different implications for retributive justice and restorative justice (Goodstein & Butterfield, 2010; Strelan et al., 2008).

Unfair Treatment by Subordinates

According to social exchange theory (Cropanzano & Mitchell, 2005), subordinates may engender a sense of unfairness in supervisors by failing to reciprocate supervisors' trust and support (Tepper et al., 2006). Such feelings of unfairness may prompt supervisors to contemplate retaliatory actions against the subordinates to restore a sense of fairness (Tai et al., 2012). Additionally, Folger and Cropanzano's (1998) equity theory posits that regardless of power differentials, individuals experience a sense of unfairness when they incur losses, perceive avoidable outcomes, or believe that actions should not have occurred. Building on trust theory, Elangovan and Shapiro (1998) asserted that violating someone's trust can also evoke feelings of unfairness. These perspectives underscore the notion that the perception of fairness is not contingent on hierarchical power; even high-ranking supervisors may experience unfair treatment from their subordinates, leading to a sense of unfairness (Cropanzano & Ambrose, 2001).

Retaliatory behavior may provide supervisors with a sense of restored fairness and an opportunity to eliminate troublesome subordinates (Bies et al., 1997; Tripp & Bies, 2009). However, retaliatory actions by supervisors may initiate negative social exchange processes. In contrast, forgiveness can interrupt negative social exchange processes and facilitate the initiation of positive social exchange (Berry et al., 2001; Macaskill et al., 2002).

Aquino et al. (2006) suggested that individuals with greater power are more inclined to retaliate when faced with unfair treatment. Given supervisors' higher status and power, the likelihood of their facing consequences for retaliatory actions may be lower than that of subordinates (Tripp et al., 2007). Based on the arguments presented above, a positive association should exist between

a supervisor's experiencing unfair treatment from subordinates and the supervisor's engaging in retaliatory actions. Additionally, supervisors are less likely to adopt forgiveness, indicating a potential negative association between a supervisor's experiencing unfair treatment and their willingness to forgive subordinates. Therefore, we present the following research proposition:

Research Proposition 1: When supervisors perceive unfair treatment from subordinates, they are more likely to engage in retaliatory behavior and less likely to forgive their subordinates.

Retaliatory actions by supervisors may trigger negative social exchange processes, subsequently impairing the performance of the subordinates and the associated teams and ultimately diminishing their teamwork (Lin et al., 2014; Mitchell & Ambrose, 2007; Priesemuth et al., 2014; Qin et al., 2018). Worthington and Drinkard (2000) introduced the concept of a "negative cascade effect," suggesting that adopting more negative approaches to unfairness in relationships between subordinates and leaders leads to a cascade of negative actions, resulting in a sustained decline in relationship quality. Conversely, when supervisors respond to unfair treatment by subordinates by demonstrating forgiveness, such as through compassionate or empathetic behaviors, a positive social exchange can result (Cheng, 1995; Farh & Cheng, 2000; Fehr & Gelfand, 2012), which, in turn, can boost the morale and effectiveness of the subordinates and workgroups (Fehr & Gelfand, 2012; Lin et al., 2014), promote a positive relationship between the supervisors and subordinates (Karrenmans & Van Lange, 2004), and improve organizational productivity (Cameron, Bright, & Caza, 2004). Therefore, we present the following research proposition:

Research Proposition 2: Retaliatory actions by supervisors are detrimental to their subordinates' performance, whereas forgiveness by supervisors enhances their subordinates' performance.

The Moderating Roles of Commitment and Loyalty to the Organization

Supervisors' decision to engage in retaliation or forgiveness is likely to be influenced by their relationships with subordinates, sense of identification with and loyalty to the organization, and expectations of future relationships (Bies et al., 2016; Zdaniuk & Bobocel, 2015). Commitment implies a psychological attachment to and willingness to exert considerable effort on behalf of the entity to which one is committed (Porter et al., 1974). When supervisors have a high level of organizational commitment, they may prioritize the overall interests of the organization over their personal needs (Eisenberger et al., 2010). Such supervisors have also been shown to exhibit organizational loyalty in the Chinese context (Cheng & Jiang, 2005).

The connection between supervisors and subordinates may also play a moderating role. A strong commitment to and/or a good relationship with subordinates may reduce the likelihood of supervisors' experiencing intense negative emotions in response to perceived unfair treatment by subordinates (Rusbult & Van Lange, 1996), thus increasing their probability of forgiveness and decreasing their likelihood of retaliation. Supervisor commitment to subordinates can be expressed through the concept of leader-member exchange (LMX; Graen & Novak, 1982), which indicates the quality of social exchange between supervisors and subordinates, including mutual support, commitment, and trust (Graen & Uhl-Bien, 1995). Research on LMX and differential leadership has indicated that subordinates with a good (vs. poor) relationship with their supervisors are more likely to be forgiven and face milder punishments when they make mistakes at work (Cheng, 1995; Graen & Uhl-Bien, 1995; Jiang & Cheng, 2014).

Research Proposition 3: Supervisor commitment (loyalty) to the organization moderates the relationship between perceived unfair treatment by subordinates and supervisor forgiveness (retaliation). A higher level of supervisor commitment (loyalty) to the organization is associated with a weaker negative (positive) relationship

between perceived unfair treatment by subordinates and supervisor forgiveness (retaliation).

Research Proposition 4: Supervisor perceptions of subordinate loyalty and LMX moderate the relationship between perceived unfair treatment by subordinates and supervisor forgiveness (retaliation). Stronger supervisor perceptions of subordinate loyalty (LMX) are associated with a weaker negative (positive) relationship between perceived unfair treatment by subordinates and supervisor forgiveness (retaliation).

Forgiveness, Revenge, and Workgroup Climate

Bies et al. (2016) pointed out that the forgiveness or retaliation of team members in response to unfair events can shape the group-level climate. Therefore, supervisors' forgiveness of or retaliation against subordinates may have implications for both the individuals who are directly involved and non-involved group members. Supervisor forgiveness may foster a climate of forgiveness within the group (Fehr & Gelfand, 2012). However, if the supervisor forgives an employee who should be punished, this may diminish the overall fairness climate within the group, from the perspective of retaliatory justice (Exline et al., 2003).

A forgiveness climate within a group reflects group members' perception that forgiveness is frequently demonstrated within the group and is also supported by the supervisor (Radulovic et al., 2019; Schneider et al., 2011). When supervisors exhibit forgiveness within the group, it fosters positive interpersonal expectations (Fehr & Gelfand, 2012) and serves as a positive behavioral model conducive to maintaining relationships throughout the group (Goodstein & Aquino, 2010). Thus, supervisor forgiveness is expected to promote a forgiveness climate within the group. Conversely, supervisor retaliation reflects negative interpersonal interactions (Restubog et al., 2012) and may hinder the development of a forgiveness climate within the group.

However, forgiveness actions carry risks in terms of fairness (Exline et al., 2003). In cases of unfair harm,

the offenders diminish their victims' resources and status. Therefore, failing to punish such behavior benefits the offender (Adams, 1965; Murphy & Hampton, 1988). While supervisor forgiveness should enhance the group's forgiveness climate, forgiving those who should not be forgiven can harm the group's sense of fairness.

Similarly, while retaliation may result in negative emotions for the group, it may also contribute to the group's sense of fairness by dissuading members from engaging in undesirable actions. Thus, the effects of forgiveness and retaliation on the group climate may be subject to moderating factors that need further exploration. Therefore, the following research proposition is proposed:

Research Proposition 5: Supervisor forgiveness contributes to the development of a forgiveness climate within the workgroup.

A forgiveness climate within a group may reduce intragroup conflicts (Fehr & Gelfand, 2012), decrease emotional reactions after conflicts (Fehr et al., 2010), and increase empathy during conflict events (Davis, 1983). This enhancement of constructive communication can lead to a stronger sense of intimacy between group members (Fincham, 2000). Furthermore, a climate of fairness within a group, which reduces the risks involved in group interactions, is positively associated with group effectiveness (Colquitt et al., 2002). Therefore, we present the following research proposition:

Research Proposition 6: Supervisor forgiveness positively affects team effectiveness through the mediation of a group's forgiveness climate, while supervisor retaliation negatively affects team effectiveness through the mediation of a team's forgiveness climate.

Research Proposition 7: Supervisor forgiveness positively influences team effectiveness through the mediation of a group's fairness climate, while supervisor retaliation negatively influences team effectiveness through the mediation of team fairness.

Third-Party Perspective: Witnessing Colleagues Being Forgiven or Retaliated Against by the Supervisor

The effects of a supervisor's forgiveness of or retaliation against a group member may be influenced by the reactions of other group members who act as third-party observers (Bies et al., 2016). The responses of such observers during unfair events may affect their perceptions of forgiveness or retaliation, influencing how they understand, feel about, and judge the perpetrator's behavior.

When group members perceive that specific actions by a colleague are more likely to be forgiven or retaliated against by the supervisor, this perception may reflect the characteristics valued by the supervisor or the group, affecting the members' attributions of supervisor forgiveness or retaliation (Matta et al., 2020; Sun et al., 2019). For example, forgiving actions that benefit the group aligns with the principles of restorative justice, promoting a broader focus on justice and enhancing the positive association between supervisor forgiveness and the group fairness climate. Similarly, when a supervisor retaliates against individuals who harm the group or organizational performance, such retaliation can satisfy the expectations of retributive justice, emphasizing altruistic punishment (Fehr & Gächter, 2002), and strengthen the association between supervisor retaliation and a fairness climate within the team. However, if supervisor forgiveness or retaliation focuses on personal benefits, members may attribute it to the supervisor's self-interest, thus diminishing the positive effects of forgiveness (Ferris et al., 1995; Howell, 1988). This perception may lead members to believe that supervisor forgiveness considers only personal interests, neglecting the group's need for fairness (Burton et al., 2014; Fehr & Gelfand, 2012). Thus, we propose the following two-part research proposition:

Research Proposition 8a: The characteristics of forgiven group members moderate the association between supervisor forgiveness and the group's forgiveness climate and fairness climate. Specifically,

the forgiveness of members that benefit the group or organization enhances the positive association between supervisor forgiveness and the climate of forgiveness and fairness within the group. In contrast, forgiveness of members that is beneficial to the supervisor increases the negative association between supervisor forgiveness and the group's forgiveness climate and fairness climate.

Research Proposition 8b: The characteristics of group members who are retaliated against moderate the association between supervisor retaliation, the group's forgiveness climate, and the group's fairness climate. Retaliating against members who are harmful to the group or organization increases the positive association between supervisor retaliation and the group's forgiveness climate. Retaliating against members who are personally harmful to the supervisor enhances the negative association between supervisor retaliation and the group's forgiveness climate and fairness climate.

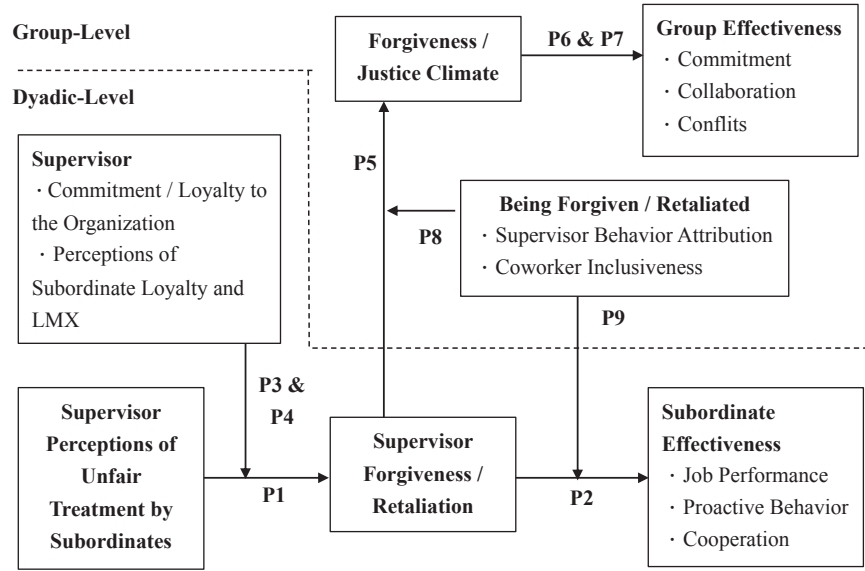
Blind Spots in Justice: Perceptions of Coworker Unfair Treatment by Supervisors and Justice Perception

Not everyone reacts with a sense of injustice when witnessing unfair treatment. Some colleagues may choose to overlook the unfair treatment of others, excluding them from the scope of justice. "Scope of justice" refers to the specific range of scenarios to which justice applies, according to an individual, and as it differs between individuals, their reactions to unfair treatment may not be uniform (Opatow, 1990, 1995). Opatow (1990, 1995) introduced moral exclusion theory, suggesting that individuals tend to exclude specific individuals from their moral scope. The core principle of moral exclusion theory lies in the scope of justice, with moral values, rules,

and considerations of fairness or justice being applied only to those within a specific range (Opatow, 1990). For example, when employees observe that a coworker has been forgiven or retaliated against by a supervisor, the effect of such forgiveness or retaliation on their job performance may depend on whether they include the affected coworker in their scope of justice. In other words, if a given employee has a friendly relationship with a coworker, the forgiveness of that coworker by their supervisor may be perceived by the employee as being fair. Similarly, they may consider retaliation against the coworker to be unfair, which may reduce their trust in and commitment and loyalty to the organization and the supervisor. Conversely, if the affected coworker is not a friend of the employee and frequently violates group norms, causing poor group performance, forgiveness by the supervisor may be viewed by the employee as being unfair, while retaliation may be seen as being justified (Jiang & Sun, 2021). Therefore, we present the following research proposition:

Research Proposition 9: In the event of supervisor forgiveness or retaliation, whether bystander employees include the involved coworker within their scope of justice influences the impact of the supervisor's forgiveness or retaliation on employee effectiveness. If bystander employees include the involved coworker in their scope of justice (e.g., they have a personal connection with that coworker or know that the coworker makes significant contributions to the team), the supervisor's retaliation may lead to a decrease in employee effectiveness. If the bystander employees exclude the involved coworker from their scope of justice (e.g., the coworker betrayed the supervisor or the team or caused harm to the team), supervisor forgiveness may decrease employee effectiveness relative to supervisor retaliation.

Figure 1.
Research Propositions and Framework



Note. LMX = leader-member exchange quality.