MASTERARBEIT

Titel der Masterarbeit

„Envy in Organizations – Justice and Injustice Perceptions as triggers of envy“

Verfasst von

Fanni Fabian

angestrebter akademischer Grad

Master of Science (MSc)

Wien, 2015

Studienkennzahl lt. Studienblatt: A 066 914
Studienrichtung lt. Studienblatt: Masterstudium Internationale Betriebswirtschaft
Betreuer / Betreuerin: Univ.-Prof. Dr. Rudolf Vetschera
Eidesstattliche Erklärung


Fanni Fabian
Table of contents

List of Tables ......................................................................................................................... 4
List of Figures .......................................................................................................................... 5
Acknowledgements ................................................................................................................ 6
1. Introduction ......................................................................................................................... 7
2. Envy ..................................................................................................................................... 10
   2.1. Negative emotions in the workplace ............................................................................. 10
   2.2. Definitions ................................................................................................................... 12
   2.3. Envy vs. Jealousy and related negative emotions ......................................................... 13
      2.3.1. Jealousy ................................................................................................................ 13
      2.3.2. Schadenfreude ...................................................................................................... 15
      2.3.3. Resentment and Indignation ................................................................................ 16
   2.4. Malicious vs benign envy ............................................................................................ 17
3. Consequences of envy ........................................................................................................ 20
4. Antecedents of envy ........................................................................................................... 24
   4.1. Social comparison theory ............................................................................................ 24
   4.2. Self-Evaluation Theories ............................................................................................. 27
      4.2.1. Core-self-evaluation measure .............................................................................. 27
      4.2.2. Self-evaluation maintenance theory .................................................................. 28
5. Organizational Justice and Injustice Perceptions .............................................................. 30
   5.1. What is justice? ............................................................................................................ 30
   5.2. Fairness Theories ....................................................................................................... 33
      5.2.1. Equality and Need .............................................................................................. 34
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.2.2. Utilitarianism and Welfare Economics</td>
<td>36</td>
</tr>
<tr>
<td>5.2.3. Entitlement and Desert</td>
<td>37</td>
</tr>
<tr>
<td>5.2.4. Equity theory</td>
<td>38</td>
</tr>
<tr>
<td>5.3. Social preferences: Fairness and Inequity Aversion</td>
<td>41</td>
</tr>
<tr>
<td>5.4. Justice Dimensions</td>
<td>42</td>
</tr>
<tr>
<td>5.4.1. Interactional, interpersonal and informational justice</td>
<td>43</td>
</tr>
<tr>
<td>5.4.2. Distributive Justice</td>
<td>44</td>
</tr>
<tr>
<td>5.4.3. Procedural Justice</td>
<td>48</td>
</tr>
<tr>
<td>6. Empirical Research</td>
<td>51</td>
</tr>
<tr>
<td>6.1. Research Question and Hypotheses</td>
<td>51</td>
</tr>
<tr>
<td>6.2. Methodology</td>
<td>54</td>
</tr>
<tr>
<td>6.2.1. Procedure</td>
<td>54</td>
</tr>
<tr>
<td>6.2.2. The vignette technique</td>
<td>54</td>
</tr>
<tr>
<td>6.2.3. Manipulation of the vignettes</td>
<td>57</td>
</tr>
<tr>
<td>7. Results and Discussion</td>
<td>66</td>
</tr>
<tr>
<td>7.1. Participants</td>
<td>66</td>
</tr>
<tr>
<td>7.2. Testing the Hypotheses</td>
<td>66</td>
</tr>
<tr>
<td>7.3. Further findings</td>
<td>76</td>
</tr>
<tr>
<td>8. Conclusions</td>
<td>83</td>
</tr>
<tr>
<td>9. References</td>
<td>87</td>
</tr>
<tr>
<td>Annex B: Abstracts</td>
<td>104</td>
</tr>
<tr>
<td>Annex C: Curriculum Vitae</td>
<td>106</td>
</tr>
</tbody>
</table>
List of Tables

Table 1: Differences between malicious and benign envy - results from the Study of van de Ven et al. (2009, p. 425) .................................................................................................................. 19
Table 2: Overview of Justice Principles in the present thesis, based on Konow (2003) .......... 34
Table 3: Overview of vignettes in the present study ...................................................................... 56
Table 4: Vignette 1 .......................................................................................................................... 58
Table 5: Manipulation of Procedural Justice in Vignette 1 .............................................................. 59
Table 6: Manipulation of Distributive Injustice in Vignette 1 .......................................................... 61
Table 7: Vignette 2 .......................................................................................................................... 63
Table 8: Vignette 3 .......................................................................................................................... 64
Table 9: SPSS Output of regression in H3 ...................................................................................... 69
Table 10: SPSS Output of regression in H1 .................................................................................... 72
Table 11: SPSS Output of One Sample Test and Statistics; comparing the mean values for benign envy .................................................................................................................................................. 76
Table 12: SPSS Output of linear regression for testing the relationship between procedural justice and benign envy ...................................................................................................................................... 77
Table 13: SPSS Output of One Sample Test and Statistics; comparing the mean values of malicious envy .............................................................................................................................................. 78
Table 14: SPSS Output of One Sample Test and Statistics; comparing the mean values of distributive injustice .................................................................................................................................. 79
Table 15: SPSS Output of One Sample Statistics; comparing the mean values of procedural justice ..................................................................................................................................................... 80
Table 16: SPSS Output of linear regression for testing the relationship between malicious envy and the change in procedural justice .................................................................................................................................. 80
Table 17: SPSS Output of multiple regression for testing the relationship between malicious envy, procedural justice, age, gender and occupation ......................................................................................... 81
List of Figures

Figure 1: Distribution of distributive injustice in H3 .................................................................67
Figure 2: Distribution of standardized benign envy in H3 ...........................................................68
Figure 3: Distribution of procedural justice in H3 .................................................................68
Figure 4: Distribution of the recoded procedural injustice in H1 ...........................................71
Figure 5: Distribution of standardized malicious envy in H1 .................................................71
Figure 6: Distribution of distributive justice in H2 .................................................................74
Figure 7: Distribution of procedural justice in H2 .................................................................74
Figure 8: Distribution of the no envy variable in H2 .................................................................75
Acknowledgements

First of all I would like to thank to my advisor Prof. Rudolf Vetschera for his constructive comments, support and for guiding me always to the right directions during the time of research and writing this thesis.

I would like to thank to all the participants for taking time for completing my survey!

I am grateful to my dear and ever reliable friend, Ryder Fitzpatrick for his valuable remarks, suggestions and for all the distant calls in the past six years to keep our friendship alive.

Last but not the least; I would like to thank my parents supporting me throughout the entire process of writing my master thesis and finishing the University in Vienna. Without them it would not have been possible.

Anyás és Apa, köszönöm nektek!
1. Introduction

Adults spend a great portion of their lives at the workplace, which is an ongoing competition for status and resources (Vecchio, 2000). What does that mean? Most people have a dream job in their mind that they want to achieve one day, which motivates them to work hard each and every day for many years. In turn for their efforts they expect to receive the desired task to work on, higher salary or comfortable working hours.

Getting something which seems to be deserved is unfortunately not always happening. People might ask themselves;” I worked harder. Why him and not me? I should have gotten that position! Why was I left out? Was that fair?” The person asking these questions obviously has emotions, which is a normal reaction in this situation.

The workplace has a competitive nature, thus a breeding ground for social comparisons (Vecchio, 1995, 2000) and for negative emotions. And also for envy, because envy is ubiquitous and unavoidable in organizations (Miner, 1990; Smith & Lazarus, 1993; Vecchio, 2000). In this thesis I focus on this particularly interesting emotion and its triggering situations in organizational context.

Envy is a negative and harmful emotion, however organizational behavior research has not yet devoted much attention to it. Stress, anger and hostility are the predominantly discussed negative emotions in literature. (e.g. Cooper & Cartwright, 1997; Judge et al. 1999) In many cultures envy is a morally undesirable emotion and the Catholic Church calls it a sin, thus it is a taboo in society. Another reason for neglecting envy is probably the discrepancies in the definition of this construct (Gallagher, 2013). Aristotle defined Envy as the “pain felt at the good fortune of others” (Sachs, 2002) which is “accompanied with some hatred and a desire to possess equal advantages” (Webster Online Dictionary, 2015). On the other hand envy can have a motivating and uplifting nature to achieve the desired outcome as well (de Vries, 1992).

In fact, recent research distinguishes two types of envy. Malicious, often called normal or proper envy is characterized by ill will, hostility and destructive responses (Bedeian, 1995), while benign envy includes positive aspects such as admiration and motivation (van de Ven, et al., 2009).
Social comparisons and envious reactions appear in the workplace at a greater frequency than in everyday life (Parks et al. 2002), because higher roles and statuses of employees are often emphasized by the hierarchy. Malicious envy can turn people to be demeaning and disparaging to others which are coping mechanisms to mitigate the frustration of envy (Bers & Rodin, 1984). Studies showed that employee envy is negatively correlated with job satisfaction and can even become a propensity to quit (Vecchio 2000).

Benign envy is a driving force, because the envious is inspired by the envied one to work harder and achieve the desired outcome themselves. From an organizational point of view this emotion is curious, however due to the complexity of this construct, theorists have not yet devoted much attention to benign envy. According to Parrot & Smith (1993) envy is still a negative emotion despite its positive attributes. Indeed there is a sense of stress and frustration in addition to inspiration and admiration. However van de Ven et al (2009) captured the differences between malicious envy and resentment, furthermore between benign envy and admiration.

The question arises, how are malicious and benign envy triggered? There are three distinct frameworks which help to understand the elicitation of envy, however they are not completely isolated from each other. Self-Evaluation Theory reviews personality traits and partly provides explanation as to why some people tend to be more envious than others (Tesser, 1988). The second framework, Social Comparison Theory, suggests that subjective comparisons occur in two directions: upwards, to an individual who is better off and downwards to someone who is worse off (Fischer et al. 2009). Cohan-Charash suggest that an upward directed social comparison is unfavorable and thus a key for envy elicitation. The third group of antecedents includes the distinct justice and injustice perceptions in organizations. In this thesis I focus on antecedents of envy which arise from social comparisons and justice perceptions.

Again, employees not every time receive what they expect in turn for their efforts. Adams´s (1965) equity theory suggests that employees compare their input and outcome ratios to the perceived input and outcome ratios of their colleagues. A fair distribution of these outcomes refer to distributive justice, on the other hand, the fairness of processes which generate outcome within the company refers to procedural justice.
People might find different situations fair based on their subjective interpretation, depending on their perception of fairness. Let us take a very simple example; two employees do the exact same job in retail. One sells more shoes but makes more mistakes at the cashier causing losses for the company, while her colleague makes fewer sales and never makes an error. At the end of the month there is a bonus, but only for one of them. Who should receive it? How should their superior come to a fair decision for all? Would one not become envious of the other? If yes, benign or malicious?

In order to have a better understanding of these emotions, I am looking for antecedents of envy in this work. More concretely, which combination of distributive and procedural justice and injustice perceptions elicits benign or malicious envy?

In the first section I define malicious and benign envy and introduce other related emotions such as jealousy, schadenfreude, resentment and indignation. Furthermore I emphasize the differences between the two envy types by reviewing the existing body of literature.

For a better understanding of the importance of research on envy antecedents in this work I begin with providing examples the possible responses and consequences of this emotion, by which the reader receives a clearer picture before the core part of the thesis.

In the second section I introduce three different frameworks, which can cause envy. The focus will be on justice and injustice perceptions. I present distinct fairness theories, furthermore distinguish procedural and distributive justice dimensions for a clearer view of justice.

In the last section I propose my hypotheses which are derived from the reviewed literature. I will detail the vignette technique I used for the quantitative study and present the way I measure envy and the distinct justice and injustice perceptions. This leads me to the discussion of the results.

Before I review the literature on envy I introduce briefly a bigger topic, negative emotions at the workplace.
2. Envy

2.1. Negative emotions in the workplace

Negative behaviors in working environment often arise from experiencing negative emotions. For instance interpersonal harming, which include getting into arguments, talking badly about a coworker behind his back, lying to a superior about him, withdrawing important work-related information (Cohen-Charash & Mueller, 2007). However these are only relatively mild consequences compared to aggressive behavior at the workplace, such as harassment and bullying. For this reason there is a big stream of research devoted to the investigation of antecedents and possible triggers of these negative outcomes. Perceptions, such as job satisfaction, organizational justice and negative emotions can also be held accountable for harmful responses. (Lam et al., 2011) What is more, there is support for the assumption, an actor is more likely to harm someone else if he or she feels envious toward or dislikes that person (Cohen-Charash & Mueller, 2007; Venkataramani & Dalal, 2007). In organizations, human resource departments have also recognized the importance that employees have a positive mindset and positive emotions, which can lead to a sustainable and healthy organization atmosphere.

Emotions are defined as „complex pattern of changes, including physiological arousal, feelings, cognitive processes, and behavioral reactions, made in response to a situation perceived to be personally significant.” (APA, 2015). In everyday language feelings and emotions are used interchangeably, however according to the latest studies we need to distinguish these. There are distinct views of functional sequences that start when something activates the emotion. After that the emotion is immediately followed by the perceptions of transformations and changes related to the person´s behavior. Thus “the word emotion should be reserved for the behavioral component of the sequence; it should not be used to designate the feeling component” (Damasio, 2011, p.1). To avoid misunderstandings, later where I use the phrase “feeling an emotion” I refer to the experience of the emotion itself. Nevertheless, my thesis does not focus on the behavioral component and the responses of emotions, only on triggers. In short, the kind of situations can contribute to the elicitation of experiencing envy.
Affective Event Theory (AET) refers to a beginning of a significant stream of research in organization context by Weiss and Cropanzano (1996). It states that workplace events are triggers of affective reactions. "Things happen to people in work settings and people often react emotionally to these events. These affective experiences have direct influences on behaviors and attitudes" (Weiss and Cropanzano, 1996, p. 11). The theory focuses on the event which is called the stimulus and the response, which refers to the emotional and behavioral reactions. But on the first place affects refer to discrete emotions such as envy, guilt or anxiety, which have both specific events as antecedents and consequences. (Payne and Cooper, 2001)

According to AET, at a secure work atmosphere where events are positively related to employees, for example a rich feedback about good information flow, good working progress in the team can all lead to positive emotions, such as fulfillment and well-being. Basch et al (1998) have created two AET matrices based on their empirical study, involving work events and distinct emotions. The matrices were simply categorized by positive and negative emotions attached to their triggering events. Participants were asked to recall specific work events involving emotions, for example frustration or bitterness. Their findings showed that negative acts of colleague’s and employees elicited the following emotions most of the times: disappointment, anger, unhappiness, sadness, disgust, hurt and annoyance (Basch et al. 1998, p. 9). It is important to note that these emotions typically do not last long, but they are “specific, short-term reactions to an event” (Briner, 1999, p. 326), however they might have very strong effects on attitudes, and behavioral responses. Envy is often a short term emotion as well and can be stimulated by workplace events, thus the AET framework can be applied. Nandedkar and Midha, (2014) specifically suggest that the quality of employee-supervisor relationship is strongly related to envy and have consequences in employee behavior. In fact, a lower relationship quality as a stimulus can result envious experiences and can further cause workplace conflicts.

Thus, Affective Events Theory has very important implications for human resource managers. Understanding antecedents and triggers can help reducing negative emotions and destructive outcomes at the workplace.
2.2. Definitions

“Socrates. Did we not say that pleasure at misfortune of others is caused by envy?” Plato (427-348 B.C./1925 p. 339)

Envy is considered among the negative and harmful emotions. It is on the list of The Seven Deadly Sins, John Epstein (2003) writes that “people go to sleep with all of those sins, but not with envy” (p. 12). What is more, “envy is, for the most part, an unmentionable emotion: noxious, nasty, and socially taboo” (Vecchio, 1995). For this reason no wonder, many of us would deny having felt it and would take a step away from it. Once people find out about someone being “envious”, it is hard to get rid of that sort of stigma. Envy is one of the taboos in western societies, because no one likes discussing his own envious feelings with anyone. But why is that? One of the explanation can be, that values in most western European cultures derive from Christianity. Besides of The Seven Deadly Sins envy can be found in the Ten Commandments in the Old Testament, which is used for moral education by the Catholic Church (Epstein, 2003). Furthermore envy can be correlated to many publicized crimes, like sabotage provoked by it or murder. (Schoeck, 1969)

Dictionary defines envy as “chagrin, mortification, discontent, or uneasiness at the sight of another’s excellence or good fortune, accompanied with some degree of hatred and a desire to possess equal advantages” (Webster Online Dictionary, 2012). Researchers in many disciplines from ancient philosophers, economists, philosophers to organizational behaviorists devoted attention to it. Each of the quotes shed light on some very important side of this emotion.

Aristotle (1923) wrote that “Envy is pain at the good fortune of others. “(Aristotle, Rhetoric, Bk II, Chapter 10)

„Envy is a propensity to view the well-being of others with distress, even though it does not detract from one's own. [It is] a reluctance to see our own well-being overshadowed by another's because the standard we use to see how well off we are is not the intrinsic worth of our own well-being but how it compares with that of others. [Envy] aims, at least in terms of one's wishes, at destroying others' good fortune.” (Kant, 1797, 6:459)
Envy is that passion which views with malignant dislike the superiority of those who are really entitled to all the superiority they possess.” (Adam Smith, 1759, p. 244)

Helmut Schoeck sociologist (1969) writes about the universality of an "envy motive in his work. He states that "envy is a drive which lies at the core of man's life as a social being, and which occurs as soon as two individuals become capable of mutual comparison" (p. 1). It might not motivate our daily lives, but there are circumstances where this emotion might occur in a greater frequency, for example at the workplace, which has a competitive nature (Adams, 1963).

These definitions agree that envy is a predominantly a negative emotion, but in the same time it has a multifaceted nature. Kets de Vries (1992) writes about the motivating role of envy; individuals may use the awareness of others’ fortune as a motivator to engage in performance enhancing behaviors and achieving desired outcomes (p. 11)

Furthermore, envy can be confused by other related emotions, such as jealousy or resentment. We can state that envy is a very complicated emotion. Economists and organizational theorist have been rather neglecting it, because of many discrepancies in the definition of this construct (Gallagher, 2013).

2.3. Envy vs. Jealousy and related negative emotions

Envy is considered in a group of related emotions characterized by negative affective reactions to the superior fortunes of others (e.g., Heider, 1958; Ortony et al., 1990) In order to understand envy better, it is noteworthy to shed light on the relationship between envy the related emotions; jealousy, schadenfreude, resentment and indignation.

2.3.1. Jealousy

Psychologists have been researching envy and jealousy in order to distinguish these, because they are often used interchangeably. They are not the same, however we must state that they have common features, but the differences are more striking. Jealousy is commonly referred to feelings
in an unhealthy romantic relationship and also seen among negative emotions. According to Vecchio (2000) jealousy refers to a perceived loss or a fear of loss, and these feelings are involved with the threat of one or more rivals. „It involves three principals: the focal employee, the rival, and the valued target person.” (p. 162)

According to Epstein (2003) “the real distinction is that one is jealous of what one has, one is envious of what other people have”. That indicates the main difference between envy and jealousy is that, envy does not include a competition with the intention of controlling a relationship. (Vecchio, 2000)

The following example might illustrate employee jealousy in organizational context. There are two colleagues striving for popularity by their common superior. One might receive a little more kindness and gains more positive feedback for his work, while the other could perceive this as a defeat and would develop negative emotions against his colleague. I can picture that he would not feel very well at this moment next to his more admired colleague. Now it depends on him how he responds to his feelings. Would he undermine his colleague and their common work or would he work harder to shed light on himself and his work?

A common feature of both employee jealousy and envy is the instant reduction of self-worth that is triggered by social comparison (Mumford, 1983; Ambrose et al., 1991). In both cases there is another person, who is seen as a rival, (Mischra, 2009), however when jealous feelings appear, there must be a fear of loss of something, that we already possess. Most of the times it is a partner. In organizational context it can be an object, such as an office space or a position.

Generally envy and jealousy are “reactions to a perceived social threat”…that are “either real or imagined” (Vecchio, 2000, p. 163) He adds that even stress can be linked to these emotions, because it shares this common feature as well. Stress is seen as a response to a fear of losing someone´s wellbeing (Matteson and Ivancevich, 1987) or being removed from one´s comfort zone. At the workplace “where competition for status and resources is an ongoing dynamic” (Vecchio, 2000, p. 163) the arousal of all these three emotions can occur very frequently.

Belk emphasizes (2011) that envy and covetousness must also be distinguished. To covet something refers to the desire to possess something we do not have yet. From this point of view it is a
very similar emotion to envy, however coveting functions only towards an object, while envy is directed at a person and his possession (p. 119).

2.3.2. Schadenfreude

Envy is a rather complicated emotion, generally considered negative, when we feel the desire to possess what the envied person possesses. However, there is another emotion, which goes beyond this feeling in terms of negativity. In case one not only wants to possess what the envied person holds, but even feels a pleasure at his misfortune. This is called Schadenfreude. In Hungarian there is a cynical phrase which is typically said when you hear someone laugh from this kind of pleasure “A legszebb öröm a káröröm” which approximately translates to “the best joy is someone else’s misfortune” Actually it is not so rare, as we would think of it. Let just take the famous Disney cartoon figures. The character of Tom seems to be a suspicious character against the small Jerry. Tom would always fall down the cliff, while Jerry would never do. In turn the audience always laughs at his misfortune because there is a sense that he deserves his accident.

Epstein (2001) calls tabloids “The National Schadenfreude” which I find very humorous, in fact very accurate. Headlines often include: the golf star cheated on his wife, the singer gained 30 pounds, the actor’s son has drug problems etc. I am sure that these people are in the middle of the public interest, but interestingly their private lives and especially some misfortunate events gain the most attention. How is that possible? In the same papers readers receive incredibly detailed estimations about these celebrities’ earnings, purchases of diamonds and luxurious real estates, success and love they seemingly magnet to themselves. The audience might sense some justification by reading about celebrities unlucky events. Although Schadenfreude might even take place that we feel some sort of pleasure when a very successful, wealthy or beautiful friend of ours happens to be in an unpleasing situation. Gore Vidal said: “Whenever a friend succeeds, a little something in me dies”. (Powers, 1975, p. 16) This is a very unwanted and morally wrong feeling. Maybe no one would confess it except Gore Vidal.

However when we find out about companies or businessmen committing criminal activities and losing all their wealth accidentally, feeling schadenfreude feels appropriate. So it is important whether any injustice was perceived by the event that happened.
2.3.3. Resentment and Indignation

The emotion called resentment can also be related to envy. Not only psychologists (Feather & Sherman, 2002) but even Rawls (1971 argues1972) argue about the importance of distinguishing it from envy.

It is a mixture of feeling rankled and bitter. It “concerns things considered to be wrongs which have been done, or are perceived as having been done, to us and others. Although we could resent someone for what they possess…” “Resentment can be a response to many forms of injustice and can lead to protest and resistance.” (La Caze, 2001, p. 32) Ben-Zeév (1992) also characterizes resentment as an “emotional protest against what is perceived as morally unjust” (p. 553). This illustrates that resentment has a malicious and angry factor, which might distinguish it from envy. In my opinion resentment can be a response emotion to envious feelings depending on the way the event is interpreted initially. Epstein (2001) suggests perceived injustice can trigger resentment as well, furthermore he thinks the main difference lays on the duration and direction of these feelings. Resentment is often only a shot of negative emotion and then we forget about it, while envy does not give us rest for a while.

**Indignation** occurs many times accompanied by envy or resentment. According to Parrott (1991) it arises from envy, without one recognizing his own envious feelings. For illustration, let us think of the infamous purchases of politicians, like luxurious apartments and cars. This might trigger a feeling of indignation which often feels like it needs to be shared with others. Indignation is a much stronger emotion, than resentment or jealousy. I believe sharing is a kind of coping response to mitigate the frustration of it. We can observe collective indignation for example at demonstrations. Recently, in Hungary there was a demonstration called “The day of indignation” addressed against abusive behavior of politicians with their rights. This kind of indignation against unfairness “enjoys social validation” (Smith and Kim, 2007, p. 49.)
2.4. Malicious vs benign envy

Envy and other related emotions have been defined in the previous chapter, however note that described envy refers to the negative envy. The latest research stream on envy in organizational context distinguishes benign and malicious envy. (Gallagher, 2013, Malone, 2006, van de Ven et al, 2009, 2010, 2012). In fact, the proposal of two different envy types has a longer history than that. (e.g., Elster, 1991; Foster, 1972; Kant, 1797/1999; Neu, 1980; Parrott, 1991; Rawls, 1971; Smith, 1991) For this reason I handle these two separately from now on. In this section I shed light the differences between these two types.

**Malicious envy** is referred to as “hostile envy” (Smith, et al., 1994), “envy proper” (Smith & Kim, 2007; van de Ven, et al., 2009) or “destructive envy” (Taylor, 2006). What is more, it can be characterized by ill will and malignancy (Bedeian, 1995; Feather & Sherman, 2002; Parrott & Smith, 1993; Salovey & Rodin, 1984; Smith & Kim, 2007; van de Ven, et al., 2009). According to Smith (2008) benign envy can be understood, when one thinks of “I wish I had what you have” in contrast to malicious “I wish you did not have what you have”. Furthermore malicious envy occurs when envious people view the other’s prosperity with displeasure and wish the envied person did not possess the desired attributes (Bedeian, 1995; Bers & Rodin, 1984; Guerrero & Anderson, 1998; Miner, 1990; Parrott & Smith, 1993; Salovey & Rodin, 1986; Salovey & Rothman, 1991; Silver & Sabini, 1978).

Van de Ven et al (2009) found evidences for another striking difference, that “…the experience of **benign envy** leads to a moving-up motivation aimed at improving one’s own position, whereas the experience of malicious envy leads to a pulling-down motivation aimed at damaging the position of the superior other” (p. 419) For this reason benign envy seems to be an emotion, with positive characteristics. When a student who studied day and night for weeks straight receives an excellent grade and very good feedback from the professors might motivate the others by promoting that effort pays out. However Parrot (1991) and Smith (1991) state that benign envy is basically a negative emotion and it is related to admiration, which in some cases can work as an inspiration and a drive for achieving one´s goals. Gallagher (2013) writes that both
malicious and benign envy can be associated with negative experiences towards the envied individual.

Van de Ven et al (2009) made a study to produce evidence for the existence of the two envy types and their attributes. In their first study they used a sample in the Netherlands, because in the Dutch language the two different envy types are distinguished. Benign envy refers to „benijde”, while malicious envy is called „afgunst”, which refers to begrudge. (p. 420).) In a recall study participants were asked to explain their feelings and what the exact differences were in what they felt were. The results also showed that both envy types were different than other related emotions, like resentment and admiration. However malicious envy could might be very close to resentment sometimes (p. 423).

The second recall study was conducted in the United States, where in the common language malicious and benign envy are not used, only envy. Participants were asked to describe a situation, and three items emotion measured the differences for each. These items were created based on their findings in the Dutch study. Results showed that malicious envy was well separated from benign envy, because participants felt it more frustrating, because they could feel at some point to actually cause some kind of pain to the envied one. By the benign type the envied individual was rather liked, and situation felt inspiring, what is more the envious felt some kind of drive to try harder to achieve the same for himself as well. The table below shows the 6 measure items and the results.
Table 1: Differences between malicious and benign envy - results from the Study of van de Ven et al. (2009, p. 425)

<table>
<thead>
<tr>
<th>Question</th>
<th>Class 1: Benign envy</th>
<th>Class 2: Malicious envy</th>
<th>Effect of cluster on Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M (SD)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I liked the other</td>
<td>6.42 (1.57)</td>
<td>4.78 (2.09)</td>
<td>-0.24 .001 .15</td>
</tr>
<tr>
<td>I felt inspired by the other</td>
<td>4.45 (2.53)</td>
<td>2.44 (2.09)</td>
<td>-0.20 .001 .20</td>
</tr>
<tr>
<td>I tried harder to achieve my goals</td>
<td>5.26 (2.64)</td>
<td>4.44 (2.25)</td>
<td>-0.13 .035 .06</td>
</tr>
<tr>
<td>The experience felt frustrating</td>
<td>3.50 (2.00)</td>
<td>6.50 (1.24)</td>
<td>0.59 .001 .51</td>
</tr>
<tr>
<td>I wanted to hurt the other</td>
<td>0.24 (0.49)</td>
<td>2.88 (2.24)</td>
<td>0.53 .001 .27</td>
</tr>
<tr>
<td>I hoped that the other would fail something</td>
<td>0.82 (1.45)</td>
<td>4.84 (2.00)</td>
<td>0.39 .001 .41</td>
</tr>
<tr>
<td>I considered the situation to be unfair</td>
<td>2.76 (2.53)</td>
<td>4.25 (2.50)</td>
<td>0.25 .004 .27</td>
</tr>
<tr>
<td>n</td>
<td>38</td>
<td>32</td>
<td></td>
</tr>
</tbody>
</table>

Note. The Wald statistics indicate the size of the effect of the clusters on the indicators. Means are the average responses of the cases in each class. Responses were provided on a 9-point scales, ranging from 0 (not at all) to 8 (very much so). Because our predictions specify the direction of the differences between the classes, one-sided $p$ values are reported.

In sum, the study of van de Ven et al. (2009) showed that benign envy is a „more uplifting type of envy“ (p. 425). People feel comfort in the company of the envied one, because of its positive radiation. This study has captured the missing attributes of benign envy well but does not take into account the antecedents, the appraisal of the situation - the way one interprets the situation - or the personal grade of personal relationship with the envied one. Van de Ven et al. (2009) shows concern for the answers whether they bias by social desirability. People are often reluctant confessing that they actually did feel malicious envy.

To sum it up, we can see, it is clear that benign envy can be distinguished from malicious envy, however only a small number of studies are discussing them extensively. The negative envy type is more frustrating and people seem to wanting to react aggressively or at least hoping that envied one does not further succeed. On the other hand benign envy makes people want to achieve more while comparing themselves to the envied one.
3. Consequences of envy

Understanding envy is important on the first place because of the behavioral consequences. It is essential that the reader is introduced to this information before we move on to the core of this thesis, discussing antecedents of envy.

There has been a great stream of research focusing on the study of destructive and counterproductive behavior in working environment. There are numerous fields, such as the research on workplace aggression (Baron & Neuman, 1996), sabotage (Ambrose et al., 2002), withholding effort (Kidwell, 2010), antisocial behavior (Giacalone & Greenberg, 1997), social undermining (Duffy & Shaw, 2000) and retaliation (Skarliki & Folger, 1997). All of these can be related to envious behavior. Obviously these reactions can range from negligible effects to catastrophe. In this work the focus is on the destructive effects, that impacts organizational efficiency (e.g. Vecchio, 2000)

Parks et al. (2002) reminds us that envious reactions appear in the workplace in a greater frequency, than in everyday life. They argue, that even tiny details can trigger envy to some extent, for instance when two colleagues receive new computers but one is a little better. Vecchio (2005) claims, that workplace has often a competitive and hierarchical nature, thus envious feelings are not rare to observe. His study also resulted, that employee envy was negatively correlated with job satisfaction and also the propensity to quit.

Envy often arises from social comparison, again, benign and malicious envy will result in distinct responses. Van de Ven et al. (2009) calls the phenomenon “leveling up” and “leveling down” depending on to which direction wants the envious to minimize the perceived discrepancy with the envied individual. “Leveling down” occurs when the envious one wants to pull down the envied one to his own position. In contrast, the benign envious wants to level up himself to the desired position. These can be manifested in destructive and constructive behavior, however the no response behavior is also noteworthy. Gallagher (2013) calls this kind of behavior “doing nothing”, which mostly appears to be ignorance. This is an alternative of the very polarized good or bad behavior. The “doing nothing” response was measured with six questions including; ignoring
the situation, minimizing importance, or seeking support from friends and family outside of work” (Gallagher, 2013, p. 94).

Some scholars suggest, that engaging in harmful behavior is a way of mitigating the frustration experienced by negative emotions (Spector and Fox, 2005). In other words, such a behavior is a coping mechanism. Malicious envy is one of the emotions, which might make people engage in actions that they regret afterwards. Envious individuals can be demeaning and disparaging the others (Bers & Rodin, 1984) or they just simply withdraw from the relationship (Bedeian, 1995). I believe it is hard to be confronted with the envied one and his advantage or desired possession, thus most people just turn away. In organizational environment employees might request to be moved to another department or they might even leave the company.

Furthermore, envy is a very complex construct and related to the other negative emotions, such as schadenfreude, or can come along with anger depending on the situation. In Vecchio´s study (2000) participants confessed, that they wanted to impair other´s performance, when they were experiencing malicious envy. Most of the researchers on this topic argue, that the perception of a more successful person in the workplace is enough to trigger envy. Along with this social comparison an unfair advantage can further impact this perception. (e.g. Cohen-Charash & Mueller, 2007; Gallagher, 2013)

Based on findings of Dogan & Vecchio (2001) employees go through different stages of responses after experiencing envy. At the initial phase, they gather more information about their suspected threat. As Vecchio (2000) argues in an earlier work of his, that envious feelings are “reactions to a perceived social threat”…that are “either real or imagined” (p. 163) For example, older employees might be concerned to be replaced by younger workers. On the other hand young managers might feel potential threat from older managers, who are protected by legal protection through age discrimination legislation. If this threat is confirmed, the natural behavior is to cope with it or eliminate it. Further actions can be counterproductive, such as undermining collaboration or sabotage in the workgroup. What is more, an overly distressed employee might just give up being in this environment and request a transfer or quit. An aggressive reaction can be for instance, lying to the boss about the envied individual or failing to transfer messages from customers to the envied colleague. (p. 60) Withey and Cooper argues, that envy related stress cause people a feel-
ing such as “pushed out by dissatisfaction, low commitment, high voice costs, and the belief that improvement is unlikely” (p. 354). It can be that high valued employees leave the company as a consequence of envious feelings. All these reactions can affect extremely negatively company’s productivity, and all the stakeholders involved. These are direct and indirect costs to the company. “Direct costs are the time and energy expended by the resentful employees. The indirect costs are the unpleasant consequences that flow from the actions resulting from the emotions.” (Dogan & Vecchio, 2001)

After having mentioned the consequences of malicious envy, the responses of the positive envy need to be introduced. Because envy can make people engage in constructive behavior, because it feels like a driving force to move forward and to achieve and elicit motivation (Cohen-Charash, 2000; Vidailllet, 2008). This is the so called “leveling up” phenomenon, whereas the envious wants to reach the desired level of the envied one and makes effort for it. Unfortunately, there is only a very little empirical research focusing what kind of behavior people engage. However the major aim is to find antecedents of generally positive constructive behavior in work environment, which have obviously very important managerial implications.

Furthermore, some researchers emphasize the importance of a third group of responses, which refers to “doing nothing” behavior. There are people, who ignore the fact of experiencing and envy and do not engage in any behavior. They pretend, not to be bothered by the situation that just happened. (de Vries, 1992) However Gallagher (2013) believes individuals who do nothing as coping mechanism in any of the directions as a response on envy, they might express their feelings in other environments, outside the workplace. However others might argue, that no behavioral implies, that no envy was elicited.

Managerial implications

Envy can cause serious direct and indirect costs to the company and stakeholders. Managers must take actions to avoid these kind of uncomfortable situations in the workplace, in order to promote collegiality and improve collaborations in the distinct workgroups. In my opinion transparency and open communication are crucial to create a community, which is based on trust, that some coworkers will not receive unfair advantages over others. For example at the international medical technology firm where I work currently, a few years ago has been decided that managers are
not allowed to fly first or business class anymore, only economy classes. Probably not only budget, but corporate ethics played also a role. However, I believe the reduction of envy of employees might have played a role as well, at least for internal considerations.

Dogan & Vecchio (2001) provide further managerial steps besides encouraging open communication, which needs to be implemented for a successful envy reduction within any firm. They suggest for example that coworkers, who tend to feel more envious than others, are emotionally immature, which can actually be screened during the recruiting process. Furthermore for already establish teams a job rotation technique is recommended. The authors believe, that with ever changing positions, the employees will not feel some kind of ownership over their position, because they cannot keep it long as they wish (p. 62). Although job rotation cannot be applied generally. On the other hand implementing changes in the organization is often risky. What is more, incentive systems that encourage cooperation can be also a good plan to reduce possible envious behavior in work teams. Such a system favors objective goals rather than subjective targets achieved (p.62).
4. Antecedents of envy

To have a better understanding of envy, there are three theories need to be introduced here, as of which can be accounted for antecedents of envy elicitation. On the first place I introduce how social comparison creates a tension and how ones self-evaluation can determine, whether personality traits contribute to envy elicitation. Perceived injustice is discussed more in depth at last in the next chapter, which has a core importance for my research question.

4.1. Social comparison theory

“Competition is a form of social comparison.” (Ben-Ze’ev, p 555)

People usually try to develop themselves, and achieve several things through their lives. Social comparisons play a crucial role in western societies, thus are very common occurrences in everyday life. One happens to compare his attributes or performances to other one’s and then evaluate their abilities (Dunn & Schweitzer, 2006; Festinger, 1954).

These comparisons basically can occur in two directions: upwards, in which an individual compares himself to someone else who is better off, according to his evaluations or downwards, in which an individual compares himself to another individual, who seems to have less in some way (Fischer et al. 2009; Suls, Martin, & Wheeler, 2002). According to Cohen-Charash (2000) an unfavorable comparison is the key perspective for the purpose of envy elicitation or avoidance. Van de Ven et al. (2009) suggests that an unfavorable comparison leads to a so called leveling up process, where one realizes what he does not possess compared to the belonging of other, and this triggers some unfair or unjust episodes.
For a comparison some kind of information needs to be available about possession that could be success, achievement, or material goods. Salovey & Rodin (1984) states that the more relevant the envied item is, the more intensely will be envy experienced. I have to add, that without relevance, would be no envious experience at all. The interpretation of the relevancy is an appraisal as well. Furthermore, social comparison will be more important, the stronger the discrepancy between envious and envied (Salovey, 1991).

Besides of envy, invidious thoughts are increasingly appearing, when individuals compare themselves with others unfavorably (Lam & Schaubroeck, 2004). The explanation is, that social comparison raises the attention on one’s own weaknesses and deficiencies which causing negative emotions, like malicious envy or feelings of resentment towards the envied one. (Bers & Rodin, 1984; Parrott & Smith, 1993; Salovey & Rodin, 1984, 1986; Vidaillet, 2008b).

One can be informed through personal contact, third party or some other channel, (Gallagher, 2013) for example social media tools that offer a wide range of possibilities to compare ourselves with others. Van de Ven. et al (2009) state that in case individuals realize the fact what they lack from all of those attributes, they were just informed about leads to a leveling up process and to envious experiences. According to Belk (2011) without comparing ourselves to other ones envy would just simply not exist.

Social comparisons are partly arising from feelings of inferiority. People often ask consciously or unconsciously those questions: Why was I left out? What do I miss? Why is happening this to me right now? I am so much less than him. This is a feeling, when suppression from all around because one feels then everyone else around are better off. Such negative thoughts when comparing to others called a state of inferiority. And this point refers to the envious person start to examine himself and start listing relevant items to compare. According to Ben Ze-ev (1992, the “focus of concern in envy is the subjects’ inferiority or the object’s undeserved good fortune.” (p. 551)

Besides of inferiority, similarity is an important factor accompanied by social comparison. Festinger (1954) states that “given a range of possible persons for comparison, someone close to one’s own ability or opinion will be chosen for comparison” (p. 121). In other words it means that we do look for people who are in some way relevant to us, we would like to be like that, or we have already some similarities. Charash (2000) stated that, in terms of workplace envy and
contextual antecedents, the most significant antecedent of envy is a professional similarity between person two colleagues, for example the area they work on, or the level of position.

Besides of workplace position, it is very easy to find similarities in another human being. Let us just say “we are both women”. Goethals & Darley (1977) wrote that those people compare, who share comparison-related qualities, such as gender, age or social class. Mussweiler (2003) even showed that without testing the similarities, no comparison will occur. Lockwood and Kunda (1997) conducted a study by 1\textsuperscript{st} year students, whose task results were exposed to another group of 1\textsuperscript{st} year undergraduates and to 4\textsuperscript{th} year students. It was clear that participants experienced clear comparison with other same age students much more personal than in the second case. When juniors performed better, there was a space for self-reflexion and some sense of self-devaluation, which was accompanied by frustration and other negative feelings. In contrast when the older fellows performed better, students have probably saw a plausible explanation, helped them scoring better, e.g. experience.

Salovey and Rodin (1984) found in their study, that the perception of success by someone else triggers stronger feelings of envy, when the other is similar and the subject of success is rather non-relevant than by a non-similar other in a personally relevant topic. Thus they emphasize, that similarity is the most important factor by social comparisons to elicit envy.
4.2. Self-Evaluation Theories

4.2.1. Core-self-evaluation measure

Core self-evaluations (CSE) is another framework which is to a certain degree explanatory for envy elicitation. More precisely, it is a tool to measure how one sees himself in the world or in professional life. It refers to four basic personality traits; self-esteem, self-efficacy\(^1\), neuroticism and locus of control.\(^2\) When an individual has a high score on these components, dispositional envy is also likely to occur. Cohen-Charash (2000) found neuroticism significant and others (Salovey & Rodin, 1984; Salovey, 1991) low self-esteem as relevant antecedent of envious feelings. When one scores relatively low on multiple components that might lead to negative or even invidious thoughts and that might result in destructive coping responses. In contrast high scores (positive) will commonly make positive judgments about oneself and others (Judge et al. 1997), which sinks the possibility to cause envy.

Individuals, who score well on core self-evaluations, have a more positive attitude, motivation and confidence. I believe this has high influence on the appraisal of events. Thus research of CSE in organizational settings can shed light on many personal behavior questions. Some result this stream of research state, positive core self-evaluations are related to improved job and task performance (Judge & Bono, 2001), job satisfaction (Best et al. 2005), higher initial levels of career success (Judge & Hurst, 2008), organizational commitment (Stumpp et al. 2009), work motivation (Erez & Judge, 2001), stress and coping (Judge et al. 1999). In contrast negative scores on CSE indicated counterproductive work behaviors (Avey et al., 2010), supervisory abuse (Wu & Hu, 2009), job burnout (Best et al, 2005), and intentions to quit (Avey et al., 2010).

---

\(^1\)Self-efficacy refers to an individual's belief about his capacity to have control potential over motivation, behavior, and social environment. (Bandura, 1977)

\(^2\) Locus of control in personal psychology refers to an individual belief, whom or what they held responsible for their life events affecting them. External locus of control describes those who believe no or little influence on happenings, while internal locus of control refers to those who believe that they have most of the control in their hands (Rotter, 1954)
In the very comprehensive envy research of Gallagher (2013) assumed that benign envy correlates with constructive behavioral responses, while malicious envy with destructive behavioral reactions. She hypothesized whether self-core evaluations moderate the responses of benign and malicious envy. Her research resulted that regardless of CSE scores benign envy would lead to constructive responses, while malicious to destructive ones. She adds that CSE should be broken down to the individual components in future research and analyzed whether they might moderate the nature of coping behaviors. Furthermore CSE evaluations would play a role earlier in the envy elicitation process (pp. 121-122). Furthermore it would be worthy to study the moderating effects of some appraisal and reappraisal components in order to shed light on the exact response mechanism.

4.2.2. Self-evaluation maintenance theory

Self-evaluation maintenance theory (SEM) developed by Tesser (1988) is also a possible explanatory direction of the envy elicitation process. This model is similar to social comparison theory, however it is based on the psychological relationship of two individuals, which is defined by three components such as closeness, performance and relevance. Self-evaluation or self-interpretation is maintained by a continuous comparison with the other, however it can go to a positive as well as to a negative direction. Closeness defines the degree of relationship with the other person, performance refers to success or achievements and finally relevance means how much one cares about the event that happened (Tesser, 1988). All three factors are important in the process. For example if a close friend receives her dream job and shares her success, while we are also in demand of a new position, we do unconsciously compare ourselves with her. This situation might trigger negative or positive emotions as well. This can also trigger benign or malicious envy too. Let us assume we do not perfectly share our friend’s triumph, according to Tesser (1988) that comparison event reduces our self-evaluation and we might want to withdraw and stay away from our friend. Actually this is quite a logical step, otherwise we are constantly or/and painfully reminded to our failure.

For the aspect of envy elicitation actually the three defining component of this theory should be taken into consideration. I believe when at least one component is less strong than in the previous
situation, it might not elicit envy. Let us assume, that not a close friend, but a colleague in our workplace receives a new position, or a good friend wins a tennis game we are not especially interested change the circumstances a lot. In these cases the events are perceived less relevant to us, so we can happily share these people´s successes and would be benign envious.
5. Organizational Justice and Injustice Perceptions

In the previous chapters I have provided many aspects for understanding envy, which is a complex and controversial emotion. In this thesis the focus is on the antecedents and possible trigger types of malicious and benign envy. I introduced social comparison and two self-evaluation theories, which attempt to explain the appearance of envy. However, the third group of antecedents is yet to be introduced, the theory of perceived unfairness that most likely trigger envious feelings in organizational environment.

According to La Caze “the most important sense in which envy can be morally valuable, emerges from its connection with justice” (2001, pp. 36-37). More precisely the perceived injustice. Let us think of an example in the workplace; Ben works hard and also receives excellent feedback from his boss for a longer period of time. At the end of the year Ben´s colleague, who apparently did not put so much effort in the work as Ben did, receives a big bonus payment and a new office room with a panoramic view. Ben felt entitled to the bonus because of his greater effort and now he perceives the situation unfair. Ben thinks that his colleague did not deserve the bonus and the office. Heider (1958) argues that this situation rightly feels not, how it “ought to be”. Ben also might be envious of his colleague’s new acquisitions.

Along with this idea we will introduce trigger types of envy from the perspective of perceived justice and fairness, or more accurately injustice and unfairness. In this section basic fairness theories and their links to envy will be unfolded.

5.1. What is justice?

According to organizational scholars, justice can be defined as a common application, addresses the adherence to established and accepted rules, regulations, policies, and procedures (Colquitt, 2001; Greenberg, 2009). In contrast, injustice refers to the violation of established and accepted rules, regulations, policies, and procedures (Colquitt et al., 2012). However justice in its daily use
lets us recall something in a broader sense, which is often called fairness. These two terms are used interchangeably in justice literature, thus I will use them accordingly. Although Andre & Velasquez (1990) point out, that justice refers to a standard of rightness, while “fairness refers to the ability to make judgments that are not overly general but that are concrete and specific to a particular case” (p. 2).

According to Albin (1993) justice refers to “general principles for the distribution of resources and obligations in society as a whole” (p. 225). This view refers to distributive, in other words outcome justice, which is one of the most examined aspects in economics and generally in social interactions. On the other hand procedural justice type plays an important role in organizational context. It refers to the fairness of processes and handlings.

**Inequity aversion** is an essential concept of justice and fairness. It refers to a person’s determination to achieve “an equitable distribution of material payoffs“(Bolton et al. 2000; Fehr et al. 2002, p. c3).

It is widely argued that envy and inequality aversion are strongly related to each other. According to Fehr et al. (2002), “one wants to increase the other persons´ material payoffs, if the other persons´ material payoffs are below an equitable benchmark, but they feel envy, i.e., they want to decrease the other persons´ payoffs, when the payoffs of the others exceed the equitable level“(p. c3) The reduction of inequality would result the elicitation or at least the reduction of envious feelings, based on the assumption that people concern about equality and fairness. Ben-Ze'ev (1992) does not agree with this idea. He does not believe that there is a moral concern in this concept. Why would he think this?

Inequity aversion can induce a surprisingly destructive nature by some people. When one has the chance to level down the envied one, or let us say destroy his advantage, is willing to compromise one´s own resources. (Smith & Kim, 2007, p. 52) One example for this are the money burning experiments conducted by Zizzo (2004). Participants received money in a wealth distribution game, where they had an option to burn their opponents’ money, in case they pay 25 cents for a burned euro. It revealed that two-third of the participants choose to burn other ones’ money. This kind of choice can be controversial. From one point of view it might seem to be unethical, because one is literally paying for the others impoverishment, on the other hand it is a
way to reduce inequality, even it is a nontraditional tool. The least well off players chose to burn the wealthiest ones among the participants. This tendency contains the idea of deservingness. Participants did not believe that others deserved advantages over them or they envied that advantage. In the experience most of the people responded to the perceived inequity or unfair situation with quite a destructive choice of act and even paid for that with cash. Belk (2011) writes that these actions confirm that our “well-being” is dependent on other’s well-being” (p. 119) Money burning experiments can be also explained with human nature’s tendency of inequity aversion. This refers to a person’s determination to achieve “an equitable distribution of material payoffs“(Fehr et al. 2002, p. C3). And they „want to increase the other persons´ material payoffs, if the other persons´ material payoffs are below an equitable benchmark, but they feel envy, i.e., they want to decrease the other persons´ payoffs, when the payoffs of the others exceed the equitable level“(Fehr et al. 2002, p. C3).

Epstein (2003) writes that “among other ingredients, envy has a love of justice in it” (p. 5). It is no wonder many authors suggest that envy contains a perception, that the envied person does not deserve what he holds. (e.g. Hazlitt, 1823/1932, Nietzsche, 1880/1911) In case the envious soul sees something she likes that belongs to someone else she might raise the question: “Why does he have it? And why don´t I have it? Why should he have a better life than I do? How could this have happened? The envious answer is drawing out: when I don´t, he should not have it either. This is the basic idea of envy, the envious longs for something she does not have - yet. Epstein (2001) suggests that even the feminist movement is driven by envy and not necessarily by the need to correct injustice. However he adds it is sometimes hard to distinguish these two concepts.

Let us move back to the context of organizations. In private companies, high position managers earn sometimes 50 times more than an average employee at the same company. For workers with average salaries can be hard to accept that those managers´ works are 50 times more valuable. In this case they might believe that those managers do not deserve such a high paycheck. It might feel degrading and unjust and might trigger envious feelings as well.

Obviously, our current free market system allows great differences in society, unless the state or private players do interventions. In countries where inequality is large, bitter and envious feelings towards the rich emerge more likely. The envious soul wants to level down those, who have
more. The question arises, why are people accused with envy when they only want to have fairness?

In history we have seen occasions when systems were trying to rule out envy. Let us just think of the socialist era and Marxism. According to Marx justice is associated with rights and proportionality that can lead to inequality (Konow, 2003 p. 1198). Equality and equity are often criticized to be driven by envy. For example Epstein (2001) states that Marxism is based on envy and on the concept, that human nature is striving for equality. For this reason the socialist idea promised to the proletariat to end all their reasons to be envious. With this concept, a kind of just was created within the system. But was that fair?

Boadway and Bruce (1984) are skeptical about equating the two: “I might envy a friend’s lucky find in an antique store yet perceive no ‘unfairness’ that he, not I, owns it” (p. 175).

These authors most definitely did not consider the fact that there are two envy types that we have to reflect on. When we review this story with benign envy, and not the so called “normal” envy, the question seems to be solved.

5.2. Fairness Theories

We have introduced the basic idea behind linking envy with justice and injustice perceptions. However justice can be read in different ways, thus no wonder some theories are controversial or even conflicting with each other. Aristotle (1976), in the earliest known treatment of this, wrote that “justice and injustice seem to be used in more than one sense” (1129a 25).

There are five distinct justice theories, which will be introduced here. There are common principles in these, such as need, equity and equality (e.g. Albin, 1993). However to capture a broader picture of justice, other concepts need to be introduced. Based on the categorization of Konow (2003) the following principles will be briefly presented in this chapter: I find it very useful to include it this work, because it provides a more comprehensive understanding of the distinct senses of fairness. First of all the Equality and Need Principles concern all the theories,
where the least well off parties are favored. In contrast the Utilitarianism and Welfare economics principles refer to a consequentialist theories, in which surplus maximizing are aimed. The third category incorporates equity and Desert Principles, which are based on proportionality and individual responsibility. (p. 1189) He includes a category of context and regarding theories, in which philosophic perspectives are discussed on the power of context, when justice is evaluated. Nevertheless in this thesis the subject of context is given; we try to keep the focus on organizational justice.

Table 2: Overview of Justice Principles in the present thesis, based on Konow (2003)

<table>
<thead>
<tr>
<th>Principles</th>
<th>Theories</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equality and Need</strong></td>
<td>Egalitarianism,</td>
</tr>
<tr>
<td></td>
<td>The Need Principle</td>
</tr>
<tr>
<td></td>
<td>Marxism</td>
</tr>
<tr>
<td></td>
<td>Different Principle</td>
</tr>
<tr>
<td></td>
<td>Social Contract Theory</td>
</tr>
<tr>
<td><strong>Utilitarianism and</strong></td>
<td>Utilitarianism,</td>
</tr>
<tr>
<td><strong>Welfare Economics</strong></td>
<td>Pareto Principles</td>
</tr>
<tr>
<td></td>
<td>Absence of Envy concept</td>
</tr>
<tr>
<td><strong>Equity and Desert</strong></td>
<td>Entitlement Theory</td>
</tr>
<tr>
<td></td>
<td>Desert Theory</td>
</tr>
<tr>
<td></td>
<td>Equity Theory</td>
</tr>
</tbody>
</table>

5.2.1. Equality and Need

**Egalitarianism** is one of the oldest concepts regarding the equality principle, which refers to people’s preferences of wanting to be treated equally. Everyone should be considered equal fundamentally and in moral status. As far as European or Anglo-American culture is concerned, Christianity can be recalled according to which god has an unconditional and equal love towards
every human soul. In contrast a non-egalitarian believes that some people are born with some kind of prerogatives that entitles them to feel in a higher class than others (Arneson, 2013). One example for a non-egalitarian society is the caste system in India.

Konow (2001) agrees that basic human needs include food, housing and clothes. He also adds that these goods embrace the concept of fairness. The Needs Principle refers to the kind of allocation where the least well off needs and receives most of the resources (cf. Albin, 1993). The criticism of The Need Principle replies so, that needs of people are distinct. Let us assume that we allocate the same resources to everyone, which would probably not satisfy them all in the same way. Because some products, like everyday clothes are basic for some people, while it can even be luxurious to others. Furthermore I believe difference might lay in the quantity and quality of food, housing and clothes, when they are allocated to individuals. People do not need the same amount of food, and are not interested in the same quality of clothes.

**Marx** can be vied as the “Father of the Socialism”, whose theory is the most controversial regarding justice. However it embraces the principle of need (Konow, 2003). Marx wrote “From each according to his ability to each according to his needs!” (1875, p. 531).

John Rawls (1971) writes about the existence of envy in the Theory of Justice: The upper classes are envied for their greater wealth and opportunity; those who envy them want similar advantage for themselves”. His **Social contract theory** refers to a thought experiment, in which participants are asked to imagine themselves into a so called “original position” behind the “veil of ignorance”. Before they enter a newly formed society at the original position they have no idea, what kind of race, look, intellectual and physical abilities they will possess in the society (Rawls, 1971). I believe that this thought experiment also challenges the possibility of envy elimination in society. Assuming that all people think rationally and the fact of the lottery is conscious to them, then there would be no reason to be envious of others naturally gained abilities at least. There are several experiments trying to recreate the original position and test the difference principle. In Konow’s study (2013, p. 1197, Table 1) two workers in the same position receive €7 per hour and receive a new job offer where a coin toss will decide which of them will receive €8 and 12€ for an hour work. Participants were asked to judge the fairness of this situation after reading this story. Results showed that 86% of the people found the outcome generally unfair however both
of the workers would be better off with the new job. I believe those who perceive the situation unfair, might have thought that the future situation would trigger envy between the two workers.

**The Different Principle** is part of Rawls´ theory (1971). The basic idea is that “all social primary goods—liberty and opportunity, income and wealth and the bases of self-respect—are to be distributed equally unless an unequal distribution of any or all of these goods is to the advantage of the least favored” (p. 303). This principle is part of the distributive justice, concerning allocation of resources.

5.2.2. Utilitarianism and Welfare Economics

This section serves to introduce very briefly three concepts that can be linked to the family of utilitarianism welfare economics. **Utilitarianism** is one of the most important concepts of welfare economics as well as consequentialist theories in which” judge the rightness of an act based on its consequences” (Konow, 2003, p. 1200). The core idea of utilitarianism suggests that everyone´s main aim is to promote private pleasure and happiness, which was first mentioned by Jeremy Bentham in 1789. However later Mill (1861) said that reaching happiness and private welfare should only be reached by taking care of general ethical rules for example; not hurting others. He considers justice and morality that help maintaining these rules. According to utilitarianism, material allocations depend on personal needs and what makes someone personally happy, which is very individual. This idea seems to be fair considering that people have different needs, goals and tastes. Nevertheless, how does it look like in reality? Let us just think of an example of two brothers. How should their mother allocate a chocolate cake between them, when one prefers chocolate cake three times more than the other one? The important point in utilitarianism is that the allocation would maximize the sum of utilities, accordingly one should receive the entire cake. We can raise here two questions, the concerns of fairness and envy. The situation might seem to be fair, but is it? Would be the one with the smaller cake become envious after the allocation? He might not long for more cake, but would be envious of the utility, that his brother received by this allocation.

**The Pareto Principle** can be viewed as a perspective of efficiency which refers to the idea of making one better off, without making someone else worth off (Pareto, 1906). This can be linked
to the envy free or **absence of envy** concept, which refers to a hypothetical situation, where envy - in other words preferring someone else’s’ possession - does not exist at all. According to Forrester (1997) in this case, there is no desire in the society for just allocations, because no member of the society find themselves inferior to other individuals (Feldman & Kirman, 1974). Konow (2003) states, that the envy-free concept can be seen as a goal of finding a good platform where the Pareto principle works well.

**5.2.3. Entitlement and Desert**

These principles contradict what previous ones suggest; equity and desert challenge need satisfaction and utility maximization perspectives. According to Konow (2013) the concepts regarding these two principals have in common, that they view fair allocations depending on individual actions.

**Nozick’s entitlement theory** is based on the importance of private property and the free market system (1974). His perspective of justice embraces the importance of individual actions. The so called “entitlement” theory of justice concerns the transfer of holdings between individuals. He argues with the example of the basketball player (Will Chamberlain), that a just distribution is against liberty. It is assumed, that people are homogenous regarding financial situation, with which the „original position” is simulated. Konow (2013) modernized the famous example as follows; to see Michael Jordan playing costs distinct amounts, but from each ticket price he personally receives $25. At the end of the season 1 million people go to see his games, accordingly he winds up having $25 million. Participants are asked about their opinion, whether they perceived it as a fair distribution. Interestingly two third of the people answered with a no. Nozick raises the question, in case this is not fair, why did people go to see the games and put 25$ for Jordan personally, when they knew exactly that all that money will wind up only in his pocket? When this is not fair, the only fair solution would be that people are banned to go to see Jordan playing, or the opposite, Jordan is banned to play for whatever payment he desires. This is against liberty according to Nozick. Further he has a view of “the complete principle of distributive justice would say simply that a distribution is just if everyone is entitled to the holdings they possess under the distribution (Nozick, 1974, p. 151).
It is interesting to note, that many people would reward effort, however some studies showed, that besides of effort people tend to reward charming or good looking people. These personal qualities are given by birth and are only a question of luck (Konow, 2003).

**Desert** refers to a philosophic theory that presumes virtue of individuals is cardinally measurable, and good fortune should be allocated accordingly. In other words, deservingness would assign good luck to those people, who reached a higher level of virtue (Arneson, 2013). This principle can be incorporated into justice theory, because it corresponds to equity theory, in terms of resource allocation. Desert can be related to effort (Konow, 2003), which can be translated to economic terms, for instance education and productivity.

### 5.2.4. Equity theory

Equity theory was worked out by a behavioral psychologist, Stacy Adams (1965) who has developed her theory in organizational context. She argues that within this context have almost everyone some experience, thus it is useful for all personal interactions. According to many justice researchers it can be seen as a perspective of justice (e.g. Konow, 2003). It is strongly connected to distributive justice, which plays an important role in the empirical research in this work.

Adams’ work on work motivation influenced the birth of her equity theory, which seeks to find the rationale behind workplace dissatisfaction. The theory refers to employees comparing their input and outcome ratios to the perceived input and outcome ratios of their colleagues. **Input** is a collective name of all things, which an employee brings with and creates for the sake of the company. They include hard work, commitment, flexibility, enthusiasm, tolerance, determination, personal sacrifice, trust, time, adaptability etc. “They are what a man perceives as his contributions to the exchange, for which he expects a just return” (Adams, 1965, p. 277) In these kind of employer-employee exchanges inputs were referred as investments by Homans (1961). Adams adds, that everything can be perceived as an input which is personally relevant to an individual.

The **outcome** is optimally able to balance all the inputs the employee decided to give. The outcome is also a mixture of many factors besides of financial payment, such as recognition, job security, reputation, sense of achievement, praise, thanks, stimuli (Walster et al., 1978) and other
fringe benefits. The last can include a company car or a computer, which can be privately used as well. Furthermore, stock options, a pleasant work atmosphere, and even the free coffee cups in the office kitchen. All these things belong to the category of compensations. By judging whether someone feels good and satisfied within the firm, all these factors come into consideration with individual weights. What is more, Adams argues about the existence of negative outcomes, which reduces the utility of the employee. “Poor working conditions, monotony, fate uncertainty, and the many “dissatisfiers” listed by Herzberg et al. (1959) are no less “received” than, say, wages and are negatively valent. (Adams, 1965, p. 278.)

Again, inputs can be viewed subjectively, whether they are relevant or not. Adams (1965) provides an example for that. In a Parisian bank, many clerks were working on the exact same task, thus they received identical wages. The employees, who lived in other towns in the countryside before that, were satisfied with their payments and worked happily, while the in Paris born bank clerks were dissatisfied with their salaries. The bank management did not make a distinction between the two group of people based on their place of birth. What this suggests, is that Paris born employees perceive their personal history, and for what kind of payments they are used to, as an input. Adams (1965) explains it with a psychological factor that refers to the relevance and the recognition of inputs and outcomes. That means, whether all parties recognize the existence and perceive it relevant in the exchange, than these things have a potential role as inputs or outputs (p. 277), such as being a Parisian might be a potential input.

In the exchange of inputs and outputs within the employee-employer exchange, reciprocity plays an important role. Let us just think of everyday exchanges in not professional relationships. Participants often think “I will give him or her, what I receive” or the other way around. Adams (1965) says about reciprocation “is commonly used to denote an obligation to give someone equal, positively valent outcomes in return for outcomes received” (p. 278).

However Adams theory´s (1965) main suggestion is that the employees do not only look at their input outcome ratio, but compare it with third parties. Back to the clerk example, the Parisian employees perceived they entitled to a higher salary than the not in Paris born employees, this shows evidence that people take into considerations some other parties as well. Accordingly, the
Parisians feel inequity, because they feel, they have contributed higher Input than the Non-Parisians, which can be applied into Adams’s outcome and income ratio equation.

\[
\frac{\text{Outcome}_{\text{Parisians}}}{\text{Input}_{\text{Parisians}}} < \frac{\text{Outcome}_{\text{Non-Parisians}}}{\text{Input}_{\text{Non-Parisians}}}
\]

Let us assume the hypothetical situation that Input type of “being Parisian” is justified by the management and they receive a raise in their salary. Probably it would escalate perception of unfairness across the Non-Parisian employees. This injustice would provide reasons for developing negative emotions, such as anger, resentment or envy. Greenberg (1990) collected evidence, that even employee theft is justified when inequity is perceived. More concretely underpaid employees felt theft “as an entitlement due from exploiting employers” (Mars, 1974, p. 224). This is obviously a deviant behavior, because it is against the law. However it can be explained by reciprocity. People felt they were abused, and responded in such a way it seemed to be appropriate. (Greenberg, 1990) What more, a similar argument addresses the act of vandalism and other aggressive behavior by gangs in the street. Fisher and Baron (1982) claim, that this is also a form of inequity reduction by breaking the rules followed by the perceived mistreatment of authorities.

On the other hand, the definition inequity suggests that it must emerge also in the case, when employees perceive their outcome too high compared to their Input. In addition evidence showed that these employees felt guilty for their undeserved Outcome (e.g. Thibaut, 1950; Adams and Jacobsen, 1964). Although, the threshold for the perception of inequity is in this case higher than by underpayment. In sum, equity theory posits, that people are not only motivated by self-interest and utility maximization, but by a desire to deviate from inequity in social interactions.

---

3 Equation based on Adams (1963)
5.3. Social preferences: Fairness and Inequity Aversion

After having discussed fairness and inequity aversion it becomes clear they are quite close to each other, thus these terms are often used interchangeably. However it has not been mentioned that these are social preferences as well, which can be defined as follows “a person exhibits social preferences if the person not only cares about the material resources allocated to her but also cares about the material resources allocated to relevant reference agents“(Fehr et al, 2002, p. C2). In working environment reference agents can be for instance colleagues, with whom people might compare themselves. According to another author social preferences “balance a person’s desire to have more money with their desire to reciprocate those who have treated them fairly or unfairly, or to achieve equality” (Camerer, 2003, p. 11).

Although many scholars deny the existence of social preferences, others argue that social preferences make a significant importance on utility allocations. That means people will not behave solely according to utilitarianism values or from pure self-interest as a homo oeconomicus would do, instead there are additional factors which determine the actual resource allocation. Typical social preferences are altruism, reciprocity and inequity aversion.

Furthermore Fehr et al. (1999) and Bolton et al. (2000) showed evidences that even the homo oeconomicus makes a social comparison of his own pay off and his peers’ pay offs. He makes the decision after evaluating the situation. Difference-aversion models assume that players are motivated to reduce differences between theirs and others´ payoffs. In contrast, social welfare models assume that people like to increase social surplus. Increasing social surplus does not necessarily mean that those with lower payoffs are being helped.

According to Fehr et al. (2002, p. C3) from the social preference point of view inequity aversion refer to an individual’s desire to achieve “an equitable distribution of material payoffs”. From this statement they seem to behave altruistically because they “want to increase the other persons’ material payoffs, if the other persons´ material payoffs are below an equitable benchmark, but they feel envy, i.e., they want to decrease the other persons´ payoffs, when the payoffs of the oth-
ers exceed the equitable level“(Fehr et al. 2002, p. C3). This suggests that these individuals have in mind to punish others. To illustrate this behavior the above discussed money burning experiments can be referred here as good examples. Consequently inequity aversion is what motivates fairness preferences.

5.4. Justice Dimensions

Just decisions must be made objectively and all aspects of it should be considered. In this section, some examples will be provided for justice related issues, which helps the reader understand the importance of crucial factors, which must be filled to come to a correct and unbiased just decision for all parties.

We have seen that justice can be read differently; let us just think of the argument between Rawls and Nozick. Many scholars have found evidence that people tend to overvalue their own positive traits and contributions to the firm, while tend to pay less attention to their shortcomings. (Cohen, 1982; Tyler & Hastie, 1991) Other studies suggest that individuals might perceive fairness in situations, in which their own position is favored. Furthermore people view themselves fairer compared to others (e.g. Messick et al., 1985). Deutsch (1975) was able to make 11 distinct allocation rules, which are considered fair. These can be bundled into 3 categories, such as equity, need and equality. Next to the primary goal of performance increase, there are other goals and missions of organizations, which might determine their culture. Deutsch (1975) analyzed distinct types of organizational cultures and their fair perceptions regarding resource allocations. For example a company’s main value is about efficiency, the fair allocation system must be based on the equity principle, in other words, what level of contribution was done by the employee. In contrast, those firms, which value interpersonal relationships within the firms and aim to create a great workplace, where employees feel respected and appreciated, probably prefer the equality principle regarding resource allocations. According to this perspective everyone would receive exactly the same payment regardless of performance. The need principle would be favored by cultures, where the future potential in employees is the most worth. It also requires very strong relationships between employees within the firm. Peterson (1975) can imagine this only by family owned businesses in reality.
In the following chapters multiple justice dimensions will be introduced, whereas the focus will be on distributive and procedural justice, which are the predominantly discussed types in economics and play an important role in the empirical research section of the present thesis. Before moving to these types I briefly introduce interactional and related justice dimensions.

5.4.1. Interactional, interpersonal and informational justice

Although distributive and procedural justice are the predominantly discussed types in economics and organizational theory, the most recent research stream emphasizes the importance of two other dimensions as well; interpersonal, and informational (Colquitt, 2001; Greenberg, 1993).

**Interactional justice** refers to the interpersonal treatment people perceive, when procedures has been enacted (Bies & Moag, 1986). More concretely, it refers to the degree of respectfulness and sensitivity, by which people are affected, when the decision making has been done. It includes the explanation and providing rationale of the results. It is noteworthy, that there has been a discussion whether interactional justice is only a part of procedural justice (e.g. Moorman, 1991; Niehoff & Moorman, 1993).

**Interpersonal justice** refers to the degree of dignity, politeness, and respect of how an individual has been treated by someone else (Colquitt, 2001). Some scholars state that interpersonal justice is particularly important in shaping employee behavior (e.g. Greenberg & Alge, 1998) In working environment fair encounters among coworkers are very significant and psychologically meaningful compared to other types of justice types (Bies, 2005).

Information and communication are crucial factors in an organization. For this reason Greenberg (1993) adds another dimension, which is called **informational justice**. However, others argue that informational justice pairs with interactional justice are only components of interactional justice. It refers to the accuracy and quality of explanations individuals receive about a procedure. This type of justice plays an important role in the research stream of reorganization of companies and the way employees are affected by decisions. Kernan & Hanges (2002) study analyses antecedents and consequences of these justice perceptions by reorganization survivors. They
identify the implementation and the communication of the decision as main antecedents of informational justice.

5.4.2. Distributive Justice

We have provided perspectives to illustrate the complex nature of generic justice, where views might be controversial. In the following, in order to have a better understanding of fair allocation of resources we will discuss some factors that need to be satisfied and also the assumptions for envy elicitation.

Decartes said, that feeling envy can be excusable ([1649] 1989), where he thinks of the negative or malicious envy, at instances of distributive injustice. After having suffered from unfair allocation, one might be entitled to feel envious or at least not to feel ashamed to have the sinful emotion apparently. A good example of these is the demonstration against the wealthiest 1% of the society and showing off some envious feelings in the same time.

Outcome or distributive justice is the predominantly discussed justice type in economics. On the first place, it refers to the perceived fairness of outcomes, which can be translated in working environment the distribution of pay raise and promotions. But let us look at the general perspective of distributive justice first. According to Russel (1930) “the very slightest appearance of favoring one child at the expense of another” cannot result distributive justice (p. 82). Let us just think of the example of the brothers and chocolate cake again. The older child likes it three times more that his young brother. The mother without knowing this information, the question arises, how should she split the cake? Whether in two exact pieces or try to divide it according to the children’s taste preferences, which - let us assume - she does not know. Russel (1930) thinks that taking care of little children can be a zero - sum game, because in this situation one child must be unfavored in some way. In case they receive 50-50 portions, according to the equality principle, the older brother might be unsatisfied with his portion, and the younger brother might just leave the rest what he does not like on his plate. Rawls’s theory can be also mentioned here, because this situation simulates the original position of “knowing nothing”. Nonetheless what we
want to emphasize here, is the appearance of negative emotions. Without finding the optimal taste preference, in other words without any information the unfavored child might after might feel resentment towards the parent and feel envious of his elder brother. Besides of the fact, the younger brother compares himself to his brother, the situation which happened and assumable triggered his negative emotions, can be categorized to distributive injustice. Although it is an overly simplified scenario, it can still simulate a situation in the workplace.

Generally, distributive justice addresses the allocation of rewards and also responsibilities, to have a complete picture of the fair value in it, we provide the four square concept developed by Konow (2000). The Accountability, Efficiency, Need and the Context principles shape fairness square around distributive justice. By allocations of resources, the Accountability principle refers to the relative portion allocated to the participants, the Efficiency principle is in relation with the nature of homo econonimicus, whose aim is to maximize utility. The Need Principle, as previously noted concerns the allocations in terms of a social requirements of people, furthermore makes sure, that the least well of receives the most of the resources. (Frohlich & Oppenheimer 1992, 1994; Konow, 2000) The Context Principle suggests that the interpretation of the situation and the influence of the context are not negligible. For instance, when comparing bonus allocations across employees in a firm is different when comparing it in another company in another industrial sector.

Konow (2001) illustrates the conflicting nature of fairness preferences or principles with the well-known castaway’s shipwrecks example. After the boat having sunk, the survivors have no choice but to start living in an uninhabited island, where the only food available are bananas, which need to be harvested. This example can be easily converted into distinct stories, in respect to the subject fairness preferences. Konow (2001) created vignettes and a written questionnaire which were partly conducted through telephone interviews. The study aimed to find out the perception of fairness of the observer from the beginning of the study, he assumed the greater the difference between the survivors´ allocation and the perceived entitlement the observers will judge the situation unfair. (p. 141)

1A. Bob and John are identical in terms of physical and mental abilities. They become shipwrecked on an uninhabited island where the only food is bananas. They can collect as many ba-
Vignette 1A was manipulated in order to test the Accountability Principle in Konow’s study (2001), which means the effort is proportionate with the outcome. In order words, twice as much effort should be rewarded with twice as much outcome in a fair way according to the Accountability Principle. The Input, which is harvesting the bananas are in this case, is the discretionary variables. This variable is to be influenced by the survivor. The exogenous variable, which is a given constant thus it cannot be influenced. For Vignette 1B an exogenous factor was added to the same scenario, namely Bob was born with only one arm thus he collects fewer bananas. As expected, much less participants (19%) judged John receiving more bananas as fair, than in the first version of the story (74%).

According to the third scenario, John took exactly half of the bananas and left his handicapped partner the other half in the pile. The result showed that 90% of the 78 participants perceived it fair, which also provides evidence for Rabin´s (1998) statement: “except in extreme cases, often we ignore issues of relative usefulness and feel that goods should be divided equally“(p. 18). He also adds, that most of the people, prefers the so-called maximin-criterion, which “equalizes welfare improvements between the two people. (...) even when self-interest is at stake“(cf. Rabin 1998, p. 18).

The Efficiency Principle refers to the type of entitlement which is based on efficiency and the total size of the goods which needs to be allocated. It suggests that the available resources must be fully used.

The Need Principle suggests that the received bananas are enough to satisfy the castaways´ personal needs. Konow (2001) adds, that accountability and the need principle can be conflicting in many scenarios, however, once the basic needs are satisfied, the accountability principle can be perceived as secondary. This suggests the importance of the context, whether it is about satisfying basic needs or not something entirely different.
Measure of Distributive Justice

Organizational justice scholars (e.g. Greenberg, 1987, 1990) have been focusing on internal fairness, because decisions about just outcomes is very dominant in organizations. Let us just think of payment allocations, bonuses, raises, or other fringe benefits. Whether these decisions were perceived fair, could fall under the category of procedural justice, which refers to the fairness of the actual decision making process. But the question arises, whether some factors exist, which satisfies a generally fairly perceived outcome in the organization. In literature there had been multiple attempts to actually measure organizational distributive justice, however it was not yet clearly distinguished from the attributes of procedural or interactional justice (e.g. Fryxell and Gordon, 1989; Joy and Witt, 1992). This confusion in the literature has led Colquitt (2001) to review the relevant stream of research and create measurement items for four distinct types of justices, that satisfy construct validity and can be used for further research.

Leventhal (1976) and most of the research focuses on the equity principle, which refers to “a single normative rule which dictates that rewards and resources be distributed in accordance with recipients’ contributions” (p. 94). Colquitt (2001) argues that taking into consideration only the equity rule, while excluding the need and equality principles - maximizes the chance of generalizing the usage of the measure items. According to Deutsch (1975) the equity rule is “a proportionality between the individual’s outcome of rewards and costs (i.e., of things of intrinsic value) and his inputs or contributions of assets and liabilities” (p. 144). According to the original theory of Adams – which was previously explained and demonstrated with the example of the Parisian and non-Parisian bank clerks – equity exists, when the ratio of outcome and input is perceived equal with whom it is compared to:

\[
\frac{Outcome_a}{Input_a} = \frac{Outcome_b}{Input_b}
\]

The distributive measures items, also used in the empirical part of this work are the following:

The following items refer to your (outcome). To what extent:

1. Does your (outcome) reflect the effort you have put into your work?
2. Is your (outcome) appropriate for the work you have completed?
3. Does your (outcome) reflect what you have contributed to the organization?
4. Is your (outcome) justified, given your performance? (Colquitt, 2001, p. 389. Table 1)

5.4.3. Procedural Justice

In organization context the interest has been focusing on two perspectives, distributive justice, which refers to the perceived fairness of compensation allocated among employees. On the other hand, procedural justice, which concerns the perceived fairness of the means used to determine these compensations (Folger, 1977). In other words, the perceived fairness in the relevant decision making processes (Lind & Tyler, 1988). Research has been focusing on the distinction of these two types, and also what the crucial elements are that make procedural justices a subject of objective fairness. In organizational context studies paid attention to fair compensation plans (Folger & Greenberg, 1985) or decision making in terms of conflict management within a company. What is more, Sheppard (1984) argues that people find undesirable organizational outcomes much more acceptable when they found the decision-making procedure fair. In this section, we will shed light on the basis of such a procedure.

Bies & Shapiro (1988) conducted an empirical research with manipulated vignettes, in order to investigate two main characteristics of procedural justice; justification and voice. This example

In the manipulated scenario the procedure was a recruitment process, whereas the questionnaire respondents had to rate the perceived fairness in the story. One scenario was labelled “mute”, while the other one as the “voice” procedure. In the mute procedure job candidates were literally mute during the interview. They were not asked any questions, in fact they were solely judged by their resume. In contrast, the voice procedure gave the candidate opportunity to express himself and point out his qualifications and experiences. Justification and no-justification was also ma-
nipulated in the same scenarios. The candidate after the interview received a rejection letter with explanation and without explanation of the reason of rejection, accordingly. Result showed the manipulation in the scenarios worked as intended. Participants rated the voice procedure significantly fairer, as well as the justification condition (pp. 678-679). However, there are more factors which contribute to the fairness of such a procedure.

**Measure of Procedural justice**

As we previously noted, justice can be read differently. There are perspectives, which are conflicting with each other, for this reason Colquitt (2001) collected items to create a standardized instrument, which is capable of measuring the fairness of a decision-making process within organizational context. In this section the items are categorized into distinct groups and discussed accordingly.

These can be viewed as criteria for an objective fair procedural justice, when all questions are positively answered. Items (1-2.) can be originated from Thibaut and Walker (1975) who made observations in courtroom procedures. The Control over the process, in other words, is the ability to **voice** and argument during the procedure. Furthermore decision control is emphasized, which concerns the ability of influencing the outcome itself (Colquitt, 2001).

The other five items (3.-5) concern rules, suggested by Leventhal (1980), which must be upheld to call the procedure just. These were taken over from Item 3 includes the rule of **consistency**, whether the process was applied consistently across the participants and in time. Item 4 concerns the neutrality of the decision makers – **bias** during the procedure. The next point emphasizes, the importance **accurate information** collected before and throughout to process in order to make a fair decision. While any inaccurate information would question the fairness of the outcome (p. 388). In the context of job selection and legal disputes, accuracy can overlap the criteria of voice (Dolan et al. 2007).

Furthermore, Item 6 refers to **correctability**, in other words, whether the participants are able to appeal the outcome after making a mistake or not. A fair process in legal settings give the oppor-
tunity of appealing. The last item refers to the representation, for instance, “all subgroups in the population affected by the decision are heard from” (p. 388) and the question of ethics and morality towards all the people involved in the process (Colquitt, 2001). The reader might have noticed, that the previously suggested criteria of justification, suggested by Bies & Shapiro (1988) are not included in this set of items. I believe the ability to appeal the decision, might be also justification to some extent. As we noted, justice is a very complex idea which is also context dependent. However these items satisfy many aspects of procedural justice and create a valid measure instrument as well. Colquitt’s (2001) two studies provided evidence for the construct validity of this instrument (p. 388).

The following seven items are also used in the empirical research of this work:

1. Have you been able to express your views and feelings during those procedures?
2. Have you had influence over the outcome arrived at by those procedures?
3. Have those procedures been applied consistently?
4. Have those procedures been free of bias?
5. Have those procedures been based on accurate information?
6. Have you been able to appeal the outcome arrived at by those procedures?
6. Empirical Research
   6.1. Research Question and Hypotheses

In my thesis I focus on the interplay between perceived organizational (in)justice, malicious and benign envy.

Recent stream of research distinguishes malicious and benign envy. Malicious envy refers to a morally undesirable, negative and unattractive emotion, where the envious one wants the possession of the envied one and “leads to action tendencies aimed at pulling-down the superior other” (van de Ven et al. 2009, p. 425). In contrary benign envy includes positive attributes, like admiration and motivation (Bedeian, 1995). What is more “benign envy is aimed at moving-up to the superior position oneself” (van de Ven et al., 2009, p. 425).

An unfavorable comparison is the key contextual starting point for envy elicitation (Cohen-Charash, 2000). Smith et al. (1988) pointed out control potential and perceived unfairness for main antecedents of envy, however those appeared only in studies, where the focus was only on malicious envy, and not on benign envy. In organizational settings, this comparison is based on employees comparing their input and outcome ratio to the perceived input and outcome ratios of their colleagues (Adams, 1965). In many cases the outcome distribution can be perceived unjust, which refers to distributive injustice. Besides of that, procedural (in)justice has significant importance in organizational context. When processes are not transparent within the company can serve as an example for procedural injustice.

My research question is the following:

*Relationship between injustice perceptions and envy: Does the type of justice perception determine the type of envy elicited?*

In envy literature there has been only one study conducted yet to find out which type of justice perception (distributive or procedural) is more likely elicit envious experiences. Results of Gallagher’s (2013) dissertation indicate that malicious and benign episodic envy can arise from both just and unjust (fair and unfair) situations.
On the first place she investigated the relationship between distributive justice and malicious and benign envy. The hypotheses were both supported:

“The **H2a**: Distributive justice has a negative direct effect on malicious episodic envy.  

**H2b**: Distributive justice has a positive direct effect on benign episodic envy.” (Gallagher, 2013, p. 114)

Furthermore she investigated the moderating role of procedural justice in a self-report questionnaires.

“The **H3a**: The negative direct effect of distributive justice on malicious episodic envy is strongest when perceived procedural justice is low and weakest when procedural justice is high.  

**H3b**: The positive direct effect of distributive justice on benign episodic is strongest when perceived procedural justice is high and weakest when procedural justice is low.” (Gallagher, 2013, p. 114)

When there is a perception of complete injustice after an undesirable organizational event, I expect that the individual feels malicious envy.

**H1**: Perception of procedural injustice and distributive injustice elicit malicious envy in organizational environment.
In contrast, if both procedural and distributive justice perceived while the control potential over the outcome is low there will be no envious experience felt. In an organizational setting, this kind of equity can be perceived, when the ratio of outputs and inputs the same with the other person (Adams, 1965).

\[
\frac{\text{Outcome}_a}{\text{Input}_a} = \frac{\text{Outcome}_b}{\text{Input}_b}
\]

H2: Perception of procedural justice and distributive justice elicit no envy in organizational environment.

According to Bies & Shapiro (1988) the opportunity or ability to participate in decision making process improves an individual’s perceptions of procedural justice, even when the outcome is undesirable. Furthermore according to Adams (1965) the person, who feels inequity, derived from distributive injustice, will feel a tension, and a motivation to change that situation. The procedural fairness drives him to the good or benign direction. Thus:

H3: Perception of procedural justice and distributive injustice elicit benign envy in organizational environment.

---

5Adams (1965) p. 281.
6.2. Methodology

6.2.1. Procedure

The questionnaire was designed with the help of the online platform Survemonkey.com, for this reason participants were recruited solely online via personal contacts, social networking groups and per email at the organization where I currently work. They were also asked to forward the link of the survey to other possible respondents. After clicking on the link, people had arrived to the unique Survemonkey.com landing page, called “Fanni’s Survey”. On the first page participants are informed about the aim of this research on a personal tone, furthermore they can expect to read three stories and answer questions about them. Information was provided that completing the survey would consume about 10 to 20 minutes from their time. They made sure that the survey is completely anonymous and only three demographic questions involved. Furthermore all 41 questions were compulsory to raise the chances of receiving complete responses. Participants were provided an incentive upon fulfilling the criteria of sending in a complete response.

On the last page where they receive a thank you message through a link they are navigated to a new window, titled “Help Fanni and Win!” - which is technically a separate survey in order to keep the survey anonymous – where by providing their email addresses they can have the chance to win one of the two gift cards in the value of € 20. They are also informed that the random prize draw will be generated by an external web based tool called Randompicker.com.

6.2.2. The vignette technique

Most of the investigations in the envy literature in organizational context use self-report questionnaires, however even the authors of these admit that this method has high limitations, because it tends to elicit unreliable and biased answers. Participants are often hesitant to report having experienced envy due to negative associations with the malicious emotion and social desirability
bias. Furthermore, researching the responses of envious behavior is also a difficult task, because people are hesitant to report engaging in destructive behaviors (Gallagher, 2013).

Because my research focuses solely on the elicitation of benign and malicious envy and it is crucial to receive reliable answers from the participants therefore I excluded the possibility of using self-report method. For the same reason a qualitative method (e.g. interview) in this case would be too extensive, because the research question does not involve such a wide range of factors related to the emotion envy. I want to highlight that the focus is only on one possible theory for the elicitation of envy. For the above mentioned reasons I used a quantitative vignette method, which is often used in personal psychology especially in emotion and behavioral research for the same reason to avoid biased answers. Furthermore in many other studies researchers used this technique to learn about perceptions and judgments (Poulou, 2001). The so called vignettes or scenarios are embedded in a survey experiment, in which written, hypothetical stories are introduced to the participants. These include typically background, referral or observational information, which are generally held constant. These stories are intended to activate people’s imagination or interest, and more importantly to elicit statements on Likert-scale or multiple choice format questionnaires (Huebner, 1991). In economics, the so called strategy method is similar to the vignette method, whereas participants need to respond to a number of different scenarios (Selten, 1967). The vignette technique is preferable over other methods, because it creates close to real life situations which are precisely manipulated by the researcher, so the vignette can be used as a predictor variable. The respondents read the stories and evaluate them according to their own set of values and beliefs. So for example answers about perceptions can be the dependent variables. This method is cognitively less challenging for the participants and seem to be more natural answering questions about other people, than about their own private life. For this reason results have been shown to be reliable over time, attribute sets, and data collection methods (Bateson et al., 1987).

Konow (2003) states that the vignettes are “less prone to the misunderstandings, caused by ambiguities about relevant details that often plague other instruments” (p. 1193). In fact the researchers have the freedom to be very detailed when designing the vignettes. Furthermore Konow (2003) argues that this technique is especially useful for justice research, because “flexible and
easily controlled means to provide information that can prove relevant to fairness, for example, details about effort or needs” (p. 1193.).

In this empirical research there are three vignettes, which represent the three major hypotheses. All the scenarios are hypothetical stories in organizational settings, whereas different combinations of procedural and distributive justice and injustice perceptions are manipulated. These are the so called predictor (independent variables).

On the other hand the aim of this study is to learn which of these perceptions are able to elicit the negative and the positive type of envy. The expected outcomes are benign and malicious envy. Table 3 provides us a good overview of the 3 vignettes (stories).

Table 3: Overview of vignettes in the present study

<table>
<thead>
<tr>
<th>Vignettes</th>
<th>Manipulated Perceptions</th>
<th>Expected Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Story 1</strong></td>
<td>Procedural Justice + Distributive Injustice</td>
<td>Benign Envy</td>
</tr>
<tr>
<td><strong>Story 2</strong></td>
<td>Procedural Injustice + Distributive Injustice</td>
<td>Malicious Envy</td>
</tr>
<tr>
<td><strong>Story 3</strong></td>
<td>Procedural Justice + Distributive Justice</td>
<td>No Envy</td>
</tr>
</tbody>
</table>

It is noteworthy that the stories were designed to be as short as possible while fulfilling many criteria of manipulation as well. In total there are 42 questions and three stories to read in English, which requires a strong intermediate level knowledge, because it contains phrases that are not often used in daily language. Having in mind that most of the respondents are not native English speakers the completion of the survey was approximated to take about 10 to 20 minute. Stud-
ies support my assumption that a survey should not take longer than 15 minutes, to avoid high non response rates and break-offs, moreover the preferred lengths should be about 10 minutes. (Couper, 2001) Because the manipulation check questions cannot be shortened, the stories were kept as short as possible, which is a limitation of this survey.

6.2.3. Manipulation of the vignettes

The vignettes are manipulated scenarios, after which participants have to answer manipulation check questions in order to make sure, that they perceive the combination of justice dimensions as it was originally intended. For this reason the manipulation – in other words the design of the stories – are based on the manipulation check items. These questions are borrowed from Colquitt`s paper (2001). He integrates multiple justice criteria in a four-factor model to create an extensive organizational justice measure including four dimensions; procedural, distributive, interactional and informational justices. However, in the present study only two of them, the most discussed justice dimensions in economics and organizational research are used. The criteria of the measures are detailed above in the chapters of Distributive and Procedural Justices. The first two procedural measure items are originally developed by Thibaut & Walker (1975) and the five other ones are from Leventhal (1980). Distributive justice measure items were first used in the study of Leventhal (1976). The two empirical studies of Colquitt (2001) validated these measure instruments, in other words, they are capable of measuring justice, however he suggests further refinement of construct validity. Two hypotheses were also supported regarding these justice dimensions; “Hypothesis 1: Distributive justice will be positively related to outcome satisfaction. Hypothesis 2: Procedural justice will be positively related to rule compliance” (p. 391).

In the present study, the first story is designed to manipulate procedural justice and distributive injustice in the same time. Besides of this combination of justice perception the criteria of upward social comparison are added to the manipulation, with which the elicitation of benign envy is hypothesized. Hypothesis 3 is the following:
H3: Perceptions of procedural justice and distributive injustice elicit benign envy in organizational environment.

Independent variables: Procedural justice + Distributive Injustice

Dependent Variable: Benign envy

Table 4: Vignette 1

Please assume all the information in this story is reliable and trustworthy.

John and Steve are sales representatives working at the same company. Both of them are about 30 year’s old, unmarried and they get along well. An opportunity arises to travel to Hawaii for one month to learn new sales techniques. Both want to win, but only one can go!

The selection process: Both John and Steve informed as to which qualifications and qualities are needed to be selected for this training. There are two interviews and one test that is conducted by an external company that makes the decision. John believes he has better leadership qualities; he’s been working for the firm longer than Steve has and acquired more customers as well. Each of them are able to express their views and feelings as to how the training would benefit both them and the firm. Both John and Steve felt they were interviewed and tested fairly.

It turns out Steve is chosen for the trip because he reached 78 points on the test while John scored only 72 points. John goes to his boss and asks for another chance to improve. He is invited for another interview but unfortunately it did not change the decision.

As in the “Antecedents of Envy” chapter discussed, envy tends to arise from Social Comparison Theory, more concretely, from upward social comparison. The story supposed to fulfill these
criteria as well. Based on the statement from Salovey and Rodin (1984) that Relevance and Similarity are a good combination to elicit envy, the vignette includes specific information for the characters regarding these factors. John and Steve are about the same age and held the same position at the company, which tends to address Similarity; furthermore the reader is made sure that the subject of envy is Relevant for both of them. The story literally includes, that both men wants to win the opportunity to travel to Hawaii. Inferiority refers to the assumption that John believes he has better chances to get the Hawaiian training based on the fact the he has better qualifications and been working longer for the company. The story supposed to suggest that John feels inferior to Steve to some extent, because he is not as good as he wants to be.

The respondents were asked to answer questions from John’s point of view, with the intention, that they will rely on their own feeling and experiences. In this section I will detail the manipulations of justice perceptions for all the three vignettes.

The careful reader supposed to answer all the following six measure questions with a very high degree on the 5 point Likert scale. More concretely, all the questions were asked with the same header: “If you were John, to what extent ….” in order to leave the measure items as close to the original version as possible. Only the wording procedures” were changed to the process in all the relevant questions, to make it clearer to the respondents that they are asked about the selection process. This is further emphasized in the vignette. Furthermore there was a small explanation given to the anchors. “1 = to a small extent (only a little)” and 5 = to a large extent (very much). The following table contains all the information from the text, which was intended to be found by the respondents to be able answer with a possibly high degree.

Table 5: Manipulation of Procedural Justice in Vignette 1

<table>
<thead>
<tr>
<th>Procedural Justice Measure Items</th>
<th>Information in story</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. “…have you been able to express your views and feelings during the process?”</td>
<td>„Each of them is able to express their views and feelings as to how the training would benefit both them and the firm.”</td>
</tr>
<tr>
<td>2. “…have you had influence over the</td>
<td>They are well informed, can express how much</td>
</tr>
<tr>
<td>Question</td>
<td>Response</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>“Has the process been applied consistently?”</td>
<td>There are more than one selection criteria, oral test – interview and written examination, which are applied the same way to both candidates.</td>
</tr>
<tr>
<td>“Has the process been free of bias?”</td>
<td>„an external company that makes the decision” which excludes the possibility of any corruption.</td>
</tr>
<tr>
<td>“Have you been able to appeal the outcome?”</td>
<td>„John goes to his boss and asks for another chance to improve. He is invited for another interview but unfortunately it did not change the decision.”.</td>
</tr>
<tr>
<td>“Have the process upheld ethical and moral standards?”</td>
<td>For this question are no answers included in the story literally, however the following information addresses the direction to a high extent of ethical and moral standards: “Both John and Steve informed as to which qualifications and qualities are needed to be selected for this training. There are two interviews and one test that is conducted by an external company that makes the decision.”</td>
</tr>
<tr>
<td>“Has the process based on accurate information?”</td>
<td>This question usually addresses the process in the past of the respondent, which is to be recalled, whether it was based on accurate information. To overcome the problem of application in this research I decided to include the following statement in the vignette: “Please assume all the information in this story is reliable and trustworthy.”</td>
</tr>
</tbody>
</table>
While the first story is manipulated to the direction, that participants perceive the selection process fair, the outcome for John is supposed to be unfavorable and unfair. In order to fulfill the criteria of distributive injustice, Colquitt’s (2001, p. 389) measure items were used as tool for the manipulation. The same items were used in the dissertation of Gallagher (2013). The questions seem to be very similar, because all of them addressing the perceived outcome input ratio in the workplace. For this reason omitting some of the items came into question while designing the survey, but for the sake of construct validity all the items were left in original version.

Table 6: Manipulation of Distributive Injustice in Vignette 1

<table>
<thead>
<tr>
<th>Distributive Justice Measure Items</th>
<th>Information in story</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you were John, what do you think, to what extent</td>
<td>The input of John refers to his belief: „John believes he has better leadership qualities; he’s been working for the firm longer than Steve has and acquired more customers as well.” In this statement he compares himself to Steve, it seems he is confident he deserves a positive outcome based on his contributions to the firm. However, the outcome at the end clearly contradicts his expectation, even when he received less points on the test.</td>
</tr>
<tr>
<td>1. “…are those outcomes inconsistent with the effort you have put into your work?”</td>
<td></td>
</tr>
<tr>
<td>2. “…are those outcomes insufficient, given the work you have completed?”</td>
<td></td>
</tr>
<tr>
<td>3. “…do those outcomes contradict what you have contributed to your work?”</td>
<td></td>
</tr>
<tr>
<td>4. “…are those outcomes inappropriate, given your performance?”</td>
<td></td>
</tr>
</tbody>
</table>

Measure of envy

The main aim of manipulation of the story this way is the measure what kind of envy type will be elicited. Unfortunately there is no such a scale that helps distinguishing malicious and benign
envy designed specifically for a vignette study. Most of the papers report on recall studies (Cohan-Charash, 2009; van de Ven et al., 2009, 2011, Gallagher 2013) In these studies participants are asked to recall the exact emotion and then answer some related questions, what describes the most their experienced emotions. In these studies eighteen items were used to measure both type of envies, nine item for each dimension. These address a relatively wide range of emotions felt at the moment the situation just happened. For instance; “I felt some hatred” and “I though positively of X”. These were not used in the current study, because the nineteen items could have been asked three times, after each vignette, which would sum 57 items in the questionnaire without the relative numerous manipulations check questions.

In the organizational research stream of envy focused on to differentiate envy and jealousy (Smith et al 1993, Anderson, 2002) distinguish between envy and resentment (La Caze, 2001) between envy and schadenfreude (Smith et al., 1996). Roseman et al (1996) created a scale to distinguish malicious, benign envy, admiration and resentment. Van de Ven et al (2012) used distinct appraisal dimensions from Roseman et al. (1996) to see which correspond to discreet emotions, such as, benign envy, malicious envy, admiration and resentment in their recall study (Study 1).

Study 2 of van de Ven et al (2012) influences my technique. They manipulated appraisals of deservingness and coping potentials in a created scenario to test which of these combinations are more likely to elicit benign or malicious envy. They used items derived from the results of previous recall study from van de Ven et al. (2009). Benign envy was measured by two items. Two questions addressed the motivational and uplifting nature of benign envy. Furthermore these measures work in the way, that they measure the actual feelings, through the possible consequences one can think of at that moment. The participants were asked, whether they “would be inspired” and “would start to work harder,” Malicious envy was also measured by two items. These projected the harmful qualities, such as “would you secretly wish that their coworker would lose clients” and “would you gossip about the coworker to others” (p. 201)

However in the set of questions after the first vignette there are only the two measure items for benign envy used. These are paraphrased to the extent which was necessary to fit to the context.
• “…would you be inspired from Steve’s success”
• “…would you start working harder to make sure you win next time?”

Table 7: Vignette 2

<table>
<thead>
<tr>
<th>Please read how the story continues</th>
</tr>
</thead>
<tbody>
<tr>
<td>After the selection process John finds out that Steve has a romantic relationship with the HR manager who will also travel to the Hawaiian training.</td>
</tr>
<tr>
<td>John is sure that the decision had been made before the interviews even started.</td>
</tr>
</tbody>
</table>

Independent variables: Procedural Injustice + Distributive Injustice

Dependent Variables: Malicious envy

In the second vignette the perception of procedural justice is manipulated, so that the selection procedure does not seem ethical and transparent anymore.

After this second vignette, the procedural justice questions are raised again with a slight modification. Note that exactly the same scale and anchors are used as in the studies of Colquitt (2001, p. 389). However the following item was dropped from the final model: “Have those procedures been based on accurate information?” Because the content of this vignette addresses that the last vignette was not based on accurate information. This is basically a piece of information that intends to change the perception of the reader about what he thought of till this point. For this reason it seems irreconcilable to ask respondents, whether they find this vignette based on accurate information.

Besides of the intended changes in the justice perceptions, which accounts for the independent variable, the dependent variable must be measured. Based on Hypothesis 1 a complete sense of injustice will elicit the malicious type of envy in working environment. Thus, benign envy is not expected to arise in this case. In fact only the malicious envy measure items are included from van de Ven and colleagues (2009, p. 201).
If you were John to what extent….

- "...would you talk badly about Steve to colleagues and customers?
- "...would you secretly wish that Steve loses clients?

In the third vignette a complete fair situation are intended to be designed and elicit no envious feelings by the respondents.

Table 8: Vignette 3

<table>
<thead>
<tr>
<th>Anna and Marie are colleagues.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anna has been working hard for the company for years and strives for a higher position. When a fitting job opens she applies and expresses to her colleagues and managers that she would really like the job. Marie is from the other department; has been working longer for the company than Anna, has more relevant qualifications and experiences for the position.</td>
</tr>
</tbody>
</table>

**The selection process:** The HR department hires an external firm to conduct an assessment center with many applicants. This includes tests, games, and interviews. After the AC (assessment center) the results displayed on the wall. Marie got multiple points for her working years.

Anna feels she made mistakes on the test and asked to retake them. Unfortunately, it is not possible for anyone to retake the tests. However, she is assured to get invited for the next AC when another position opens.

**Marie is selected for the promotion.**

Independent variables: Procedural Justice + Distributive Justice

Dependent Variables: no envy

The third and last vignette is a new story, because to continue the same story with John and Steve characters would not be authentic. Now, this new story intends to provide the respondents a fair
view from both, procedural and distributive dimensions. The manipulation was based on the same seven items from Colquitt (2001) in order to have a good base for comparison with the other results. The manipulation check occurred exactly the same way, just after the first vignette.

In contrast to the other vignettes, this combination of fair perceptions hypothesized to elicit no envious feelings, even if the criteria of Social Comparison Theory are fulfilled such as in the first vignette. Both women desire the same position, which refers to the Relevance dimension. Similarity is intended, given the information, that they are colleagues by the same firm, and the fact they are both woman.

In order to measure the so called “no envy” there are all the four items included in the set of questions, besides of the manipulation check questions. They were the following:

Measures for malicious envy (fitted to the scenario) 2 items:

If you were Anna to what extent…

- “…would you be inspired from Marie’s success?”
- “…would start working harder to make sure you take the job next time?”

Measures for malicious envy (fitted to the scenario) 2 items:

If you were Anna to what extent…

- “…would you secretly wish that Marie fails in the new position?”
- “…would you talk badly about Marie to your friends and coworkers?”
7. Results and Discussion

7.1. Participants

A total of 219 adults being currently employed, self-employed and unemployed individuals participated in the present study. Out of these 219 adults 148 (67.6%) did not complete the questionnaire. Thus, these responses were filtered incomplete and excluded from further analysis, resulting in a final sample of 71 participants (32.4%).

In the final sample, every other respondent was a woman (47.9%). Participants in age ranged from 18 to 59, however the age group 30 to 44 constituted the majority of them (52.1%). Younger respondents in age from 18 to 29 accounted for the second biggest group (33.8%). The last demographic question addressed employment status, which resulted that 92% of the survey participants currently have a job, 77.5% of them are employed by a company and 14.5% are self-employed.

7.2. Testing the Hypotheses

In this section all the results of this study will be presented. The three hypotheses will be discussed in the same sequence as they are represented in the vignettes. I used descriptive statistics where I observe the means of all variables, because all items range on a 5 point Likert scale. In order to test the hypothesized elicitation of benign and malicious envy, I used interaction terms of procedural and distributive justice in linear regressions. After the core results further findings will be presented.

Vignette 1 – H3

Perceptions of procedural justice and distributive injustice elicit benign envy in organizational environment.

IV: Procedural justice + distributive injustice
DV: benign envy

Procedural and distributive justice variables contain seven and four items, respectively. In order to observe the interaction and the effect of these two variables on benign envy, I have created standardized variables all of them are ranging on a scale from 0 to 1. This is necessary to make them comparable with all other variables in this study. Procedural Justice Standardized is computed by (Procedural justice -7)/35 its mean value is 0.46 (Sum = 30.00, SD= 0.182). Distributive Injustice Standardized is calculated by (Distributive Injustice – 4)/20 so the mean is 0.45 (Sum = 32.30). Procedural justice showed good reliability with a Cronbach-alpha value of 0.725, dis-

![Figure 1: Distribution of distributive injustice in H3](image)

tributive injustice a value of 0,703.

According to the values, procedural and distributive justice has reached a moderate level. In other words, procedural justice perception has neither reached a high nor a low degree, as it was intended by the creation of the vignette.
The participants were asked, whether they “would be inspired” and “would start to work harder”. These two items were included in the variable, thus I computed the Standardized Benign envy variable \((\text{benign envy} - 2)/10\). The mean value is 0.41 (SD=0.235), which suggests that respondents became discreetly benign envious.
The independent variable is an interaction term of the multiplication of the two justice variables (procedural justice * distributive injustice).

The correlation coefficient (0.647) indicates that the higher the perception of procedural justice is, the stronger the experience of benign envy will be. However the interaction term has a much lower value of (0.135) because the perceptions have only a moderate level.

Table 9: SPSS Output of regression in H3

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>.467&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.218</td>
<td>.183</td>
<td>.21215</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Interaction_v1_H3, p_justice_v1_standardized, d_injustice_v1_standardized

<table>
<thead>
<tr>
<th>ANOVA&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regression</td>
<td>.839</td>
<td>3</td>
<td>.280</td>
<td>6.217</td>
<td>.001&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>1 Residual</td>
<td>3,015</td>
<td>67</td>
<td>.045</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3,855</td>
<td>70</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: benign_envy_v1_standardized

<sup>b</sup> Predictors: (Constant), Interaction_v1_H3, p_justice_v1_standardized, d_injustice_v1_standardized

<table>
<thead>
<tr>
<th>Coefficients&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Constant)</td>
<td>.059</td>
<td>.227</td>
<td>.261</td>
<td>.795</td>
</tr>
<tr>
<td></td>
<td>p_justice_v1_standardized</td>
<td>.970</td>
<td>.470</td>
<td>.609</td>
<td>2.066</td>
</tr>
<tr>
<td></td>
<td>d_injustice_v1_standardized</td>
<td>.039</td>
<td>.429</td>
<td>.030</td>
<td>.090</td>
</tr>
<tr>
<td></td>
<td>Interaction_v1_H3</td>
<td>-.563</td>
<td>.875</td>
<td>-.281</td>
<td>-.644</td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: benign_envy_v1_standardized
The R square value of the model is relatively low (0.218) and adjusted R square (0.183) – which indicates that about 21% of the variance in benign envy can be accounted for the three predictor variables.

The regression model is statistically significant, \( F(3, 67) = 6.217, p = .001 \) (p<0.05). This shows that the model applied can statistically predict the dependent variable, benign envy.

However according to the t-statistics, the independent variable is statistically not significant \( t=-0.644, p=0.522 \) (p<0.05) In other words we cannot reject the 0 Hypothesis.

We can conclude that the manipulation of the vignettes did not work as intended, procedural and distributive justice perceptions are moderate, furthermore the model is statistically not confirmed.

*For this reason Hypothesis 3 is not supported, however the regression coefficient is significant.*

**Vignette 2 – H1**

*Perception of procedural injustice and distributive injustice elicit malicious envy in organizational environment.*

IV: Procedural injustice + distributive justice

DV: malicious envy

In order to test Hypothesis 1 I used the results of the manipulation check questions after the second vignette. It was not necessary to measure distributive injustice, because the outcome in vignette 2 did not change in this continued part of the story.

Furthermore, I asked the same procedural justice measure questions, like in vignette 1, and in order to capture injustice, I recoded all the Likert-scale type items to the other way around, e.g. 1=5; 5=1. Note, that I used only 6 items here for the manipulation check to avoid possible discrepancies with the content of the vignette. This composite showed good reliability with a Cronbach –Alpha of 0.742. Again, all items were standardized, thus the mean value ranges on the scale from 0 to 1. Standardized Procedural Injustice was computed as follows (Recod-
ed_P_injustice - 6)/30. The mean value suggests that respondents’ perceptions remained on a moderate level. (0.56; Sum= 40.00; SD=0.172)

By the malicious envy measure respondents were asked if they talked badly about the envied one and whether they wished him failure in his task. I created standardized malicious envy variable as follows (malicious envy – 2)/10. This variable has a mean value of 0.35, which is relatively low.
However we cannot expect very high results by malicious envy, because respondents would hardly admit to harm or gossip about other people even if it was an anonymous vignette study.

In order to test the hypothesis, I created an interaction term for the independent variable, in the same way as in the previous hypothesis (procedural injustice * distributive injustice).

**Linear regression of H1**

Table 10: SPSS Output of regression in H1

<table>
<thead>
<tr>
<th>Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

<sup>a</sup> Predictors: (Constant), Interaction_V2_H2, p_injustice_v2_standardized, d_injustice_v1_standardized

<table>
<thead>
<tr>
<th>ANOVA&lt;sup&gt;b&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Mal_envy_v2_standardized

<sup>b</sup> Predictors: (Constant), Interaction_V2_H2, p_injustice_v2_standardized, d_injustice_v1_standardized

<table>
<thead>
<tr>
<th>Coefficients&lt;sup&gt;a&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> Dependent Variable: Mal_envy_v2_standardized
The R square value of the model is (0.381) and adjusted R square (0.353) – which means that about 38% of the variance in malicious envy can be accounted for the three predictor variables. The regression model is statistically significant, \( F (3, 67) = 13.736, p = 0.000. \) (p<0.05) This shows that, overall, the model applied can significantly predict the dependent variable, malicious envy.

However, according to the t-statistics and the beta value (0.300) of the interaction term, the independent variable is statistically not significant \( t=0.665, p=0.508 \) (p<0.05) In other words we cannot reject the 0 Hypothesis. Furthermore none of the variables are significant. The reason can be that perception of distributive injustice has only a moderate level. The result does not suggests that the higher the perceptions of procedural justice and distributive injustice are the higher the experience of malicious envy will be. *For this reason Hypothesis 1 is not supported.*

**Vignette 3 – H2**

*Perception of procedural justice and distributive justice elicit no envy in organizational environment.*

IV: Procedural justice + distributive justice

DV: no envy
The last hypothesis in the third vignette is intended to measure the elicitation of neither benign nor malicious envy by creating a complete just situation for the questionnaire respondents. We measured procedural and distributive justice by using all measure items, by which we created once more standardized variables with same technique. The standardized procedural justice - computed by \((\text{procedural justice} - 7)/35\) - variable has a mean value of 0.51 on a scale from 0 to 1 (Sum=35.86; SD= 0.145). It showed a good reliability, because of the good Cronbach Alpha value of 0.760. Individuals, on average, reported a very moderate level of procedural justice perception.

All the items included in distributive justice measure were necessary to be recoded (e.g. 1=5), because the original items measures distributive injustice. In fact, the items are Likert scale type questions, which make it possible to gain results for justice, by performing recoding. Now, the higher the values are the higher the perception of distributive justice is. After the standardization the mean value is 0.46 (Sum=32.90; SD=0.158). Furthermore according to the Cronbach Alpha value is reliable (0,737).

Figure 6: Distribution of distributive justice in H2

Figure 7: Distribution of procedural justice in H2
The no envy variable includes all benign and malicious envy measure items. I assumed that the lower participants score on all of four measure items, the closer they will be to the “no envy” state because the envy types are very different from each other. If they are neither benign nor malicious envious, there will be no envious experience at all. The low Cronbach – Alpha suggests unreliability (0.053) the mean is 0.32, which is relatively low, however it is useful to look at the separate results of malicious and benign envy measures after the regression results.

As it was expected, the results show no statistically significant relationship between IV and DV. The R square value of the model is (0.105) and adjusted R square (0.065) – which means that about 10.5 % of the variance in “no envy” can be accounted for the three predictor variables. The regression model is statistically not significant, $F (3, 67) = 2.623, p = .05$. This shows that, overall, the model applied can significantly predict the dependent variable. According to the t-statistics and the beta value (- 0.010) of the interaction term, the independent variable is statistically not significant $t = - 0.017, p=0.986$ (p<0.05). In other words we cannot reject the 0 Hypothesis. Furthermore none of the variables are significant.

**Hypothesis 2 is not supported.**

It is to note, that that outcome in the last vignette is not the perfect opposite of the outcome in the first vignette – where John does not win the Hawaiian training - because the person did not re-
ceive the promotion. In fact someone else received it, who actually deserved it, based on her experience and qualifications. Perhaps a higher level of distributive justice could have been perceived, if the envious person received the job promotion. In line with that, the satisfied person would not have become envious, because in this case we would have taken the frustration factor away which is triggered when an individual longs for something.

7.3. Further findings

In H2 we assumed that perceptions of distributive and procedural justice in will elicit none of the envy types, however the benign envy measure scored relatively well, despite of the expectations. The standardized benign envy variable, computed: (benign envy $- 2)/10$ has a mean of 0.50, while the standardized malicious envy variable has a mean of 0.15. - these were added together for the no envy measure and resulted a mean of 0.32. - which indicates that people experience almost no malicious envy, but a significantly higher level of benign envy.

In addition to that, the mean values of the benign envy results were compared with One Sample Statistics. We can clearly see in Table 10 that in vignette 3 benign envy is higher by 0.0873. In other words, when not only procedural justice perceived, but distributive justice as well, the experience of benign envy was by 9 % higher and the difference is statistically significant (p=0.000, p<0.05). These results partly contradict the results of H3, where I assumed that procedural justice and distributive injustice will elicit benign envy.

Table 11: SPSS Output of One Sample Test and Statistics; comparing the mean values for benign envy

<table>
<thead>
<tr>
<th>One-Sample Statistics</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>benign_envy</td>
<td>71</td>
<td>.4085</td>
<td>.23467</td>
<td>.02785</td>
</tr>
<tr>
<td>v1_standardized</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>benign_envy</td>
<td>71</td>
<td>.4958</td>
<td>.20244</td>
<td>.02403</td>
</tr>
<tr>
<td>v3_standardized</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
To test whether the perception of distributive and procedural justice elicits benign envy there is a linear regression conducted (see Table 11).

Table 12: SPSS Output of linear regression for testing the relationship between procedural justice and benign envy

**Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.523*</td>
<td>.273</td>
<td>.241</td>
<td>.17638</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), interaction_v3, p_justice_v3_standardized, d_justice_recoded_v3_standardized

**ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>.784</td>
<td>3</td>
<td>.261</td>
<td>8.404</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>2.084</td>
<td>67</td>
<td>.031</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>2.869</td>
<td>70</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: benign_envy_v3_standardized

b. Predictors: (Constant), interaction_v3, p_justice_v3_standardized, d_justice_recoded_v3_standardized
The R square value of the model is relatively low (0.273) and adjusted R square (0.241) – which indicates that about 27% of the variance in benign envy can be accounted for the three predictor variables.

The regression model is statistically significant, $F (3, 67) = 8.404$, $p = .000$. (p<0.05) This shows that, overall, the model applied can statistically significantly predict the dependent variable, benign envy.

Furthermore according to the t-statistics and the beta value of the interaction term (-1.322), the independent variable is statistically significant $t= -2.608$, $p=0.011$ (p<0.05) In other words we cannot reject the 0 Hypothesis. We can conclude that the higher procedural justice and distributive justice perceived in organizational environment are, the higher the experience of benign envy will be. This implies that people tend to be more positive envious when they perceive the outcome of the distribution also just in addition to process fairness.

### Comparing means

Table 13: SPSS Output of One Sample Test and Statistics; comparing the mean values of malicious envy

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mal_envy_v2_standardized</td>
<td>71</td>
<td>.3465</td>
<td>.22414</td>
<td>.02660</td>
</tr>
<tr>
<td>mal_envy_v3_standardized</td>
<td>71</td>
<td>.1521</td>
<td>.17391</td>
<td>.02064</td>
</tr>
</tbody>
</table>
The differences of means by malicious envy are more striking, than by benign envy. In Vignette 2, where distributive and procedural injustice were manipulated in the stories, a mean value is 0.3465. In the third vignette where both distributive and procedural justice are created, the malicious value is less than half of it (0.1521). Furthermore, the difference is statistically significant (p=0.000, p<0.05)

However, there is no significant difference in the mean value of malicious envy experiences by gender (mean value of females, benign envy=0.34; mean value of males, benign envy=0.36) in vignette 2, nor in vignette 3 (mean value of females, malicious envy=0.35; mean value of males, malicious envy=0.36).

Table 14: SPSS Output of One Sample Test and Statistics; comparing the mean values of distributive injustice

<table>
<thead>
<tr>
<th>One-Sample Statistics</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Mean</td>
<td>Std. Deviation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d_injustice_v1_v2_standardized</td>
<td>71</td>
<td>.4549</td>
<td>.18189</td>
</tr>
<tr>
<td>d_injustice_v3_standardized</td>
<td>71</td>
<td>.4634</td>
<td>.15833</td>
</tr>
</tbody>
</table>

By comparing the results in the distributive justice perceptions in vignette 1 and vignette 3, we receive the following results in Table 13. Note, that the manipulation check questions were not asked again after the second vignette, thus they have the same value for vignette 1 and 2. The intention was to write the third vignette aligned with distributive justice rules, in other words the mean value of distributive injustice should be much lower in vignette 3. Possible explanation can be, that the manipulation check question were the last ones - from 38 to 41 - and respondents became fatigue of answering the same questions repeatedly. In addition to that, they were aware of being on the last page of the questionnaire due to the presence of the completion bar.
Table 15: SPSS Output of One Sample Statistics; comparing the mean values of procedural justice

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>p_justice_v2_standardized</td>
<td>71</td>
<td>0.2357</td>
<td>0.17232</td>
<td>0.02045</td>
</tr>
<tr>
<td>p_justice_v3_standardized</td>
<td>71</td>
<td>0.5050</td>
<td>0.14462</td>
<td>0.01716</td>
</tr>
</tbody>
</table>

However, it is clear that in the third vignette procedural justice perception values were twice as much (0.51) than in the second story (0.2357). This can also explain the higher benign envy experiences after the third vignette.

In fact the results indicate significant change after the second vignette in procedural justice perceptions and malicious envy experiences. By creating two variables from these terms, we can test whether procedural justice perceptions have any effect on malicious envy.

**Linear regression: the higher the procedural justice is the lower malicious envy will be**

I created a new variable for the difference in the above mentioned malicious envy and procedural justice between vignette 2 and 3. Again, in vignette 3 was the mean value of malicious envy was 19% lower than in vignette 2, while procedural justice was 27% higher.

Table 16: SPSS Output of linear regression for testing the relationship between malicious envy and the change in procedural justice

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.305</td>
<td>.093</td>
<td>.080</td>
<td>.22579</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Difference_p_justice_v3_minus_v2
ANOVA*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>.360</td>
<td>1</td>
<td>.360</td>
<td>7.065</td>
<td>.010b</td>
</tr>
<tr>
<td>Residual</td>
<td>3,518</td>
<td>69</td>
<td>.051</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3,878</td>
<td>70</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Difference_malicious_v3minusv2_standardized  
b. Predictors: (Constant), Difference_p_justice_v3_minus_v2

Coefficients*

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>-.126</td>
<td>.037</td>
<td>-3.377</td>
<td>.001</td>
</tr>
<tr>
<td>1 Difference p_justice_v3_minus_v2</td>
<td>-.302</td>
<td>.113</td>
<td>-.305</td>
<td>-2.658</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Difference_malicious_v3minusv2_standardized

The coefficient is significant (0.010), p<0.05 that confirms the hypothesis that the higher the perceptions of procedural justice is, the lower malicious envy will be.

In the following regression three other variables, which could serve as additional explanation.
The questionnaire captured only three demographic questions, gender, age and occupation.
Gender was recoded into a dummy variable, thus male=1, female=0. The variable age was recoded as follows: 18 – 29=1; 30 – 44= 2; 45 – 59= 3. The variable occupation, which was recoded to a dummy as follows. All not –employed =0 and all self-employed and employed answers = 1.

Table 17: SPSS Output of multiple regression for testing the relationship between malicious envy, procedural justice, age, gender and occupation

<p>| Model Summary |
|---------------|----------------|</p>
<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.307a</td>
<td>.094</td>
<td>.039</td>
<td>.23067</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Occupation, dummy gender, Difference_p_justice_v3_minus_v2, Age
ANOVAa

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>.366</td>
<td>4</td>
<td>.091</td>
<td>1.719</td>
<td>.156b</td>
</tr>
<tr>
<td>1 Residual</td>
<td>3.512</td>
<td>66</td>
<td>.053</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3.878</td>
<td>70</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Difference_malicious_v3minusv2_standardized

b. Predictors: (Constant), Occupation, dummy gender, Difference_p_justice_v3_minus_v2, Age

Coefficientsa

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>-.115</td>
<td>.109</td>
<td></td>
<td>-1.053</td>
</tr>
<tr>
<td>Difference</td>
<td>-.305</td>
<td>.117</td>
<td>-.308</td>
<td>-2.601</td>
</tr>
<tr>
<td>_p_justice_v3_minus_v2</td>
<td>.014</td>
<td>.058</td>
<td>.031</td>
<td>.248</td>
</tr>
<tr>
<td>Dummy gender</td>
<td>.000</td>
<td>.046</td>
<td>.000</td>
<td>.002</td>
</tr>
<tr>
<td>Age</td>
<td>-.020</td>
<td>.103</td>
<td>-.023</td>
<td>-.190</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Difference_malicious_v3minusv2_standardized

In case we held the difference in procedural justice constant, malicious envy would decrease by male respondents by 1.4%. In fact, none of the coefficients were significant in the present cases; gender (0.805), age (0.998), occupation (0.850) (p>0.05). This implies, that demographical data does not make any difference in addition to procedural justice perceptions to malicious envy elicitation. In other words, difference between man and women, employed and unemployed, age between 18 to 29, 30 to 44 or 45 to 40 do not have any impact on the elicitation of malicious envy.

In sum, the three hypotheses regarding the research questions, were not supported, however further findings indicate that people tend to be more positive envious when they perceive the outcome of the distribution also just besides of the process fairness, in other words the higher procedural justice and distributive justice perceived in organization environment are, the higher the experience of benign envy will be. Furthermore, the higher the perceptions of procedural justice are, the lower malicious envy will be experienced in organizational environment.
8. Conclusions

Envy has not been widely discussed in organizational literature, although workplaces often have a competitive nature and provide a breeding ground for envy-eliciting situations. This master thesis examines the differences between benign and malicious envy. The focus is on the antecedents in organizational environment; more specifically the way justice and injustice perceptions can contribute to the elicitation of these emotions in working environment. A quantitative study with a vignette technique was conducted to test three hypotheses regarding the research question.

Malicious and benign envy can most likely be distinguished by their consequences; responses of malicious envy can range from ignorance to counterproductivity and destructive behavior, which can be explained as a coping mechanism to reduce distress and restore balance (Greenberg, 1990; Gallagher, 2013). This thesis focuses only on situations in organizational context, where envy can arise in a greater frequency than in private life (Parks et al, 2002). In fact, workplaces are often characterized by an ongoing competition for resources and statuses, thus even tiny details can trigger envy (Vecchio, 1995).

Benign envy is a relatively new construct, which can be referred to as positive envy. In contrast to malicious envy, it does not involve pulling down or harming the envied individual, indeed the benign envious have friendly feelings, which cannot be mistaken for admiration (Van de ven et al., 2009). In addition to that, the benign envious become motivated to improve their own position and to work harder for their aims. However the experience of frustration is not completely eliminated by all positive elements, because the eagerness towards the “envied object” is still present.

There are three main frameworks which can be used to explain envy elicitation: self-evaluation theories, social comparison theory, and injustice perceptions, however these theories are not isolated from each other. Self-evaluation theories are psychological frameworks which examine the personality and psychological state of the individual. In fact, they aim to clarify the antecedents of the constant or so called dispositional envy. For example, some individuals might suffer from
a chronic sense of inferiority (Smith et al., 1999). The present study concentrates solely on state envy, which is triggered by a situation and the interpretation of a situation, thus self-evaluation theories are only briefly introduced.

Certainly, both benign and malicious envy can arise from unfavorable social comparisons. These occur when two factors are present: relevance and similarity (Salovey & Rodin, 1984). Without a relevant object possessed by the other in which the envious is interested, there would be no envious experience. On the other hand, similarity refers to a pattern of choices; when the envious compare themselves to others who share some similarities with them. For example, if they work in the same department, have the same position or they are close in age.

The third approach to understanding envy is the framework of justice and injustice perceptions. When one experiences injustice, it can often result in invidious thoughts. However, when an unfavorable social comparison is also present, either malicious or benign envy will arise (Cohen-Charash, 2000). Based on Adams’ (1963, 1965) equity theory, employees compare their input and outcome ratio to the perceived input and outcome ratio of their colleagues. Employees perceive injustice if they observe inequality in these ratios. A fair allocation of resources refers to the dimension of distributive justice, which can be manifested in the distribution of promotion, pay raise or other goods in the workplace. Gallagher’s (2013) study confirms that distributive justice has negative effects on malicious envy, while positive effects on benign envy. In addition to distributive justice, the present study utilizes procedural justice perceptions which refer to the degree of fairness and unfairness evaluated in organizational processes and procedures (Colquitt, 2001).

Based on previous findings, my research questions addresses the following area: “Which type of justice and injustice perceptions tend to elicit benign and malicious envy?” I hypothesized that (a) the perception distributive and procedural injustice elicit malicious envy, while (b) the perception of distributive injustice and procedural justice elicit benign envy furthermore (c) the perception of distributive and procedural justice will result in no envious experience.

The quantitative study in this work uses the vignette method, however most of the papers report on recall studies in which they investigate benign and malicious envy (Cohan-Charash, 2009; van de Ven et al., 2009, 2011, Gallagher 2013). In these studies participants are asked to recall the
situation, when they felt envious, and then answer some related questions that help to most accurately describe the emotions experienced. In order to avoid social desirability bias, which arises when one confesses envious feelings, the vignette technique is a better fit than self-report surveys. Hence, I manipulated three scenarios which serve to test my three hypotheses. The questionnaire to the vignettes includes two types of questions; the manipulation check items for distributive and procedural justice and injustice (Colquitt, 2001), on the other hand the measure items for malicious and benign envy (Van de ven et al., 2009). Results are based on the answers of 71 adults, who completed the online survey.

However the hypotheses were not supported; these results indicate that envious emotional reactions to justice and injustice are distinct. Findings indicate that people tend to lean towards positive envy when they perceive the process as well as the allocation of resources fair. In other words, the higher the procedural justice and distributive justice perceived in organizational environments, the higher the experience of benign envy will be. Furthermore, the higher the perceptions of procedural justice are, the lower malicious envy will be. However demographical data, such as age, gender or employment status has no impact on the elicitation of malicious envy. These findings enhance Gallagher’s (2013) relevant results, that not only does distributive justice have a negative effect on malicious envy, but perceived fair processes can reduce the negative emotion as well. Furthermore, besides fair allocation of resources within the organization, just processes raise the chances that employees will experience positive envy, which produces a drive to aim higher.

To the limitations of the study has to be mentioned, that the manipulation of the vignettes have not fulfilled all the expectations. The criteria of the manipulation were based on the validated justice measure items of Colquitt (2001), which in this form were used for the first time. I believe the adaptation of these items with the vignette technique were too extensive for a medium length online survey. For further research of antecedents of envy with these measure items I suggest a laboratory experiment design, where respondents could receive additional explanation and instructions so that they fully understand the scenarios. Thus the researcher can receive better results on the manipulation of the justice perceptions. In addition to that, a longer time frame would enable the utilization of a more extensive malicious and benign envy measure instrument.
Overall, the research on envy has received little attention, however, negative consequences of malicious envy can have crucial and detrimental effects at the workplace. On the other hand, benign envy deserves more attention because our knowledge of this recently explored emotion has not been well established and is rather vague. We know that benign envy is accompanied by positive characteristics from which both the organization and the individual can benefit. Though that is true, benign envy still belongs to the family of negative emotions due to the frustration that is experienced by not having what the envious is eager to possess. What we certainly know, is that malicious envy has exclusively negative features which should be reduced and eliminated wherever possible. In addition to that, the results of this thesis have potentially significant implications to all kinds of organizations. Managers are encouraged to establish not only transparent, ethical and just processes, but also fair allocations of resources within their organizations in order to reduce malicious envy and its destructive consequences.
9. References


• Bentham J. (1789) An introduction to the principles of morals and legislations. London:Payne


• Descartes, ([1649] 1989), Article 183, p. 118.


• Foster, G.M. (1967) Tzintzuntzan: Mexican peasants in a changing worlds, Boston: The little, Brown and Company


• Gallagher, E. C. (2013). Constructive and Destructive Employee Responses to Envy at Work: The Role of (In) justice and Core Self Evaluations. (Doctoral dissertation) University of Nebraska at Omaha.


Scott, J.C., The moral economy of the peasant: Rebellion and subsistence in Southeast Asia, New Haven, CT: Yale University Press


• Taubman, W., Taubman, J. (1989) Moscow Spring , New York: Summit Books


Annex B: Abstracts

Abstract in English

Envy has received little attention in organizational research, however, workplaces have a competitive nature and provide a breeding ground for envy-eliciting situations. The present master thesis discusses the differences between the two envy types. Malicious envy is a negative emotion, with destructive consequences and undesirable impact on work performance. Benign envy is a relatively new construct in research, which has positive characteristics such as a drive to improve one’s own position. In fact, both malicious and benign envy arise from unfavorable social comparison. The research question focuses on the possible triggers in organizational environment, more specifically the way perceptions of distributive and procedural justice and injustice elicit benign and malicious envy. Quantitative data was collected with an online questionnaire (N=71) which is designed with the vignette technique. Results suggest that the higher the established procedural and distributive justice are in organizations, the less employees are likely to experience malicious envy. In addition to that, the more distributive justice is implemented, the more likely to employees will experience benign envy.

Abstract in German

Annex C: Curriculum Vitae

Personal Information

Name: Fanni Fabian
Date of Birth: 19.10.1986
Citizenship: Hungarian

Education

2010-2015 University of Vienna, Faculty of Economic Sciences
Master Studies in International Business Administration
Specialization: Personnel and Organization

2005-2009 Budapest Business School, College of International Management and Business Studies
Bachelor Studies in International Communication
Specialization: Advertising

2008 Hogeschool Utrecht, The Netherlands
Erasmus semester Business Planning Exchange Programme at the Faculty of Economics and management

2007 1st place winner in team, Hungarian Student Media Competition, Budapest, Hungary
(Task: full year marketing communication strategy for McDonald’s)

Professional Experience

2014- Medtronic, Vienna, Austria
Customer Service Assistant for Department Diabetes

2013-2014 Puzzle Hotel, Vienna, Austria
1 year Reservation Assistant

2011-2012 H&M, Vienna, Austria
1. 5 years Sales Advisor

2009 Ad Pepper Media AG, Munich, Germany (online marketer)
4 months Internship at Business Development Department

2008-2009 TV2 Member of the Pro Sieben Sat1 Media Group, Budapest, Hungary
4 month Internship at Brand Care Group, Commercial Department
**Language and computer skills**

**Hungarian:** mother tongue  
**English:** fluent in spoken and written  
**German:** fluent in spoken and written  
**Computer:** full Microsoft Office pack, SPSS, SAP CRM, SAP R3,  
knowledge of Adobe Photoshop, InDesign and Illustrator

**Interests**

**Engagement** yoga and contemporary dance courses, painting and drawing