Applicant reactions to selection events: interactive effects of fairness, feedback and attributions
Schinkel, S.

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CHAPTER TWO
SELECTION FAIRNESS AND OUTCOMES:
A FIELD STUDY OF INTERACTIVE EFFECTS ON APPLICANT REACTIONS

Despite the vast amount of applicant reactions studies, few have examined combined
effects of selection outcomes with perceived procedural and distributive fairness. Further,
most applicant reactions studies have been conducted in laboratory settings, limiting
external validity. The present study investigated interactive effects of selection outcomes
and fairness perceptions on affective well-being and organizational attractiveness.
Reactions of actual applicants applying for a variety of jobs were examined pre-interview
and post-outcome. As expected, several interactions between selection outcomes and
perceived fairness were found, with controls for pre-interview perceptions: applicants who
were hired reported both highest well-being and organizational attractiveness when they
perceived the outcome as fair. In contrast, applicants who were rejected reported highest
well-being when they thought the outcome was unfair. An interactive effect of selection
outcome and procedural fairness was found for organizational attractiveness, with higher
procedural fairness leading to higher attractiveness for rejected applicants.

Nowadays, people change jobs more and more frequently. This means they
participate in selection procedures and receive selection outcomes more often than
ever before. This trend highly justifies the growing research attention for the
psychological impact of selection outcomes on job applicants (Ryan & Ployhart,
2000). Intuitively, one would assume positive selection outcomes (being hired) to
lead to more favorable applicant reactions than negative outcomes (being rejected)
(Lounsbury, Bobrow, & Jensen, 1989). However, previous research investigating
relationships between selection outcomes and all kinds of personal and
organizational applicant reactions has rendered inconsistent results. Several
studies demonstrated that being hired resulted in more favorable personal
reactions than being rejected, such as higher self-perceptions and future
performance expectations (e.g., Ployhart & Ryan, 1997; 1998; Truxillo, Bauer, &

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2 This chapter is based on Schinkel, Van Vianen and Van Dierendonck (2011a).
Sanchez, 2001), whereas in the same and other studies no such relationships were found (e.g., Gilliland, 1994; Truxillo et al., 2001). The same is true for applicant reactions toward the recruiting organization: in some studies, more favorable reactions were found after a positive than a negative outcome, such as higher organizational attractiveness, recommendation intentions and attitudes toward testing (e.g., Bauer, Maertz, Dolen, & Campion, 1998; Ployhart, Ryan, & Bennett, 1999), whilst in other studies these relationships were non-significant or even negative (e.g., Gilliland, 1994; Ployhart & Ryan, 1997; 1998; Truxillo, Bauer, Campion, & Paronto, 2002).

The inconsistencies in these findings may of course be due to differences in the reactions or the selection methods studied, or the study context. However, another possible explanation for these inconsistent findings exists: the influence of selection outcomes on applicants’ reactions may in turn be contingent on other factors, such as applicant fairness perceptions. As Gilliland (1993) proposed, a positive selection outcome may only lead to favorable reactions if the applicant perceives this outcome to be fair (distributive fairness). A hired applicant who feels this decision is unfair may be unsatisfied with the outcome, and perceive the job and organization as less attractive. When rejected, individuals who perceive this outcome as unfair may feel more anger toward the organization, and may perceive it as less attractive than those who perceive their rejection as fair. Similarly, the selection outcome may interact with the perceived fairness of the selection procedure (procedural fairness), for example causing negative reactions following positive selection decisions based on unfair procedures. Generally, the fairness of selection procedures and outcomes, as perceived by applicants, are referred to as procedural and distributive fairness, respectively (Gilliland, 1993). The sparse studies that have investigated interactive effects of selection outcomes and fairness have focused on the procedural rather than the distributive component (e.g., Gilliland, 1994; Ployhart & Ryan, 1998; Schroth & Shah, 2000), or studied interactions of procedural fairness with distributive fairness rather than with the actual outcome (e.g., Brockner & Wiesenfeld, 1996). Because to applicants the fairness of the actual outcome may be at least as important as the fairness of the procedure (Bauer et al., 1998; Ployhart & Ryan, 1998) the present study examined
possible interactive effects of selection outcomes with both procedural and distributive fairness on applicant reactions.

Further, reactions of both hired and rejected applicants should be investigated. From an organization’s perspective, the individuals who are hired may be most important. However, the influence of rejection decisions on individuals can severely harm both personal reactions and reactions toward the organization, and thus should matter to organizations just as well (Gilliland, 1993). Moreover, to date no studies of the influence of selection outcomes on applicant affective well-being exist. Well-being has been demonstrated to further influence many other reactions, such as health, economic and career success and work satisfaction (Diener & Ryan, 2009). Therefore, more research attention for applicant well-being after selection procedure participation is warranted. The main theoretical contribution of this paper therefore is the investigation of interactive effects of selection outcomes with both procedural and distributive fairness on applicant post-outcome well-being as well as organizational perceptions.

Additionally, the design and sample of the present study were different from most other applicant reactions studies in several ways. An extensive meta-analysis found that only about a third of all samples in applicant reactions research entailed actual applicants (Hausknecht, Day, & Thomas, 2004). It was demonstrated that relationships, for example between perceived fairness and organizational attractiveness, are often higher in hypothetical than in authentic situations. As such, drawing conclusions about applicants’ reactions merely based on answers by students or an organization’s incumbents limits the external validity of this research: studying reactions in actual contexts is extremely important (Ryan & Ployhart, 2000; Truxillo, Steiner, & Gilliland, 2004). Further, the majority of field studies appeared to have been conducted in non-profit organizations, with no more than 13 percent studying interviews, whilst this is still the most widely used selection instrument in organizational recruitment (Hausknecht et al., 2004). Finally, rather than examining effects of actual selection outcomes, several of these studies focused on effects of outcomes of testing used to evaluate candidates (e.g., test scores). As Bauer et al. (1998) noted, researchers should try to investigate the actual hiring decision as the ultimate outcome of interest as well.
Therefore, the present study used a two-wave design, with a sample consisting of actual applicants who participated in existent selection procedures within a private profit organization. The study focused on selection outcomes based on individuals’ performance during a (semi-structured) selection interview. This allows for a contribution to theory building on applicant reactions to selection outcomes that goes beyond most previous studies.

**Selection Outcome Effects**

The selection outcome likely evokes several applicant reactions, such as personal reactions (for example, self-esteem and well-being), and reactions toward the organization (for example, organizational attractiveness and recommendation intentions). Several studies have demonstrated favorable personal reactions after being hired as compared to being rejected, such as higher self-esteem, self-efficacy (Ployhart & Ryan, 1997; Schroth & Shah, 2000), and test-taking self-efficacy (after taking a multiple-choice test: Truxillo et al., 2001), increased expectancy of success and future performance expectations (Ployhart & Ryan, 1997; 1998; Ployhart et al., 1999), and better mood at work (Fletcher, 1991). In contrast, however, studies by the same and other researchers have also demonstrated non-significant relationships between selection outcomes and personal reactions, such as self-efficacy (Gilliland, 1994), test-taking self-efficacy (Bauer et al., 1998; after taking a video-based test: Truxillo et al., 2001), and self-esteem at work (Fletcher, 1991).

Different reactions toward the recruiting organization have also been found after receiving a positive as compared to a negative selection outcome: organizational attractiveness perceptions (Bauer et al., 1998; Kluger & Rothstein, 1993; Ployhart et al., 1999), recommendation intentions (Bauer et al., 1998), attitudes toward testing (Bauer et al., 1998; Lounsbury et al., 1989), and work ethic (Fletcher, 1991) all appeared to be higher for hired than for rejected individuals. However, these relationships appeared to be non-significant in other studies: selection outcomes did not relate to organizational attractiveness (Truxillo et al., 2002), recommendation intentions (Gilliland, 1994; Ployhart & Ryan, 1998; Truxillo et al., 2002), reapplication intentions (Ployhart & Ryan, 1997; Truxillo et al., 2002) and organizational commitment (Fletcher, 1991). Additionally, a positive selection
outcome has been demonstrated to lead to lower recommendation intentions than a negative outcome (Ployhart & Ryan, 1997).

Note that when studying applicant reactions, it is important to realize that these likely are more influenced by perceptions formed after reception of a selection outcome than by pre-outcome perceptions (Bauer, Truxillo, Paronto, Campion, & Weekley, 2004). Many studies have measured reactions immediately after the selection process, but before applicants have received the selection outcome. Because these studies can be criticized to paint an incomplete picture (Bauer et al., 1998; Ryan & Ployhart, 2000), the focus of the present study was on applicants’ post-outcome reactions. Additionally, very few applicant reactions studies have measured pre-test levels of outcome variables as part of their research design (Ryan & Ployhart, 2000). This is strange given that applicants may differ in affect and perceptions prior to applying with an organization (as was demonstrated by e.g., Bauer et al., 1998; Chan, Schmitt, Sacco, & DeShon, 1998b; Macan, Avedon, Paese, & Smith, 1994; Ployhart & Ryan, 1998). The present study, therefore, used a two-wave design with both pre- and post-measures.

**Selection Fairness Effects**

Selection fairness theory proposes that applicants’ cognitive, affective and behavioral reactions to selection events are partly determined by their perceptions of the fairness of these events. Generally, a distinction is made between aspects (rules) relating to the fairness of selection procedures, termed procedural fairness, and that of subsequent outcomes, termed distributive fairness (Gilliland, 1993).

Examples of procedural rules are the extent to which an applicant thinks a selection procedure is job-related and perceives a recruiter as honest, or the way in which selection decisions are communicated. Positive relationships between procedural fairness and personal applicant reactions, such as test-taking self-efficacy, have been found in some studies (e.g., Bauer et al., 1998; Truxillo et al., 2001; 2002), whilst in others these relationships appeared to be non-significant (e.g., self-perceptions, well-being; Gilliland, 1994; Ployhart & Ryan, 1997; Schinkel, Van Dierendonck, & Anderson, 2004). Similarly, several studies have found positive relationships between procedural fairness and reactions toward the organization, such as organizational attractiveness, and job acceptance and recommendation.
intentions (Bauer et al., 1998; 2001; 2004; Gilliland, 1994; Ployhart & Ryan, 1997; 1998; Truxillo et al., 2002), whereas other studies found non-significant relationships (e.g., job pursuit and recommendation intentions; Bauer et al., 1998; Truxillo et al, 2002).

Distributive fairness may be perceived based on equity, equality, or need (Gilliland, 1993). To our knowledge, sparse studies have investigated relationships between distributive fairness perceptions and personal reactions, and none of these found significant relationships: (e.g., self-esteem, (job performance) self-efficacy, self-evaluations and well-being: Gilliland, 1994; Ployhart & Ryan, 1997; Schinkel et al., 2004). Further, whereas an early study into selection fairness did not find any relationships between distributive fairness and organizational attractiveness (Smither, Reilly, Millsap, Pearlman, & Stoffey, 1993), several other studies did find positive relationships: organizational attractiveness and job acceptance, reapplication and recommendation intentions were all found to increase with higher distributive fairness (Gilliland, 1994; Ployhart & Ryan, 1997; 1998; Schinkel, Van Vianen, & Van Dierendonck, 2008).

The procedural and distributive components of fairness clearly are two distinct constructs (Ployhart & Ryan, 1998), despite the fact that they are related conceptually (Gilliland, 1993; Greenberg, 1990) as well as empirically (Brockner & Wiesenfeld, 1996; Hausknecht et al., 2004). Up to date, most applicant reactions researchers have focused on perceptions of procedural rather than distributive fairness (Hausknecht et al., 2004). A reason for this may be that organizational justice studies (i.e., in the workplace) often find that procedural fairness perceptions account for more variance in individuals’ reactions than do distributive fairness perceptions (Gilliland, 1993). Importantly, however, these studies mostly concern reactions of individuals already employed with the organization, who thus have a different relationship with the organization than applicants who are being recruited externally. That is, the applicant - organization relationship often is much shorter, more evaluative and more asymmetrical than the incumbent - organization relationship.

Moreover, the outcome of being hired versus not being hired may be weighted substantially more heavily than outcomes typically examined in organizational justice studies (Ployhart & Ryan, 1998). Thus, one could assume that
in a selection context, unlike in the workplace, applicants’ perceptions of
distributive fairness are at least as influential as their perceptions of procedural
fairness. Indeed, as one study has shown (Bauer et al., 1998), procedural fairness
may sometimes merely relate to applicants’ reactions before the actual outcome is
known. Organization attractiveness, job acceptance and recommendation
intentions were only affected by procedural fairness perceptions before
participants learned of their test performance; when this outcome was controlled
for, the relationships became non-significant. Therefore, the effects of both
procedural and distributive fairness perceptions on reactions of applicants should
be studied (Ryan & Ployhart, 2000). The present study examined the influence of
these two factors, combined with the influence of the actual selection outcome.

Affective Well-being
Affective well-being can be thought of as the way people feel about
themselves and the settings in which they live and work. It concerns a subjective
estimate of the quality of life (Warr, 1990), on a relatively short-term basis (daily
variations are possible, e.g., Reis, Sheldon, Gable, Roscoe, & Ryan, 2000), and
should be distinguished from longer-term measures such as life satisfaction (Ryff,
1989). Well-being has been found to positively influence numerous variables, such
as general health, economic and career success, work satisfaction (further leading
to higher performance evaluations by supervisors, and higher organizational
citizenship behavior) and self-confidence (Diener & Ryan, 2009). In turn, research
has demonstrated affective well-being to be altered by events such as employment
status, financial situation, and social relationships and position (Diener & Ryan,
2009; Warr, Butcher, Robertson, & Callinan, 2004). Further, fulfillment of basic
needs like autonomy, competence, and relatedness, has been found to increase
well-being (Reis, et al., 2000). As such, selection outcomes and fairness typically are
events that may cause changes in well-being. To our knowledge, however, no
studies of the interactive impact of selection outcomes and fairness perceptions on
applicant well-being exist. The one study that we know that has focused on a
comparable relationship examined reactions of employees applying for an internal
promotion, and found a positive relationship between positive assessment
outcomes and mood six months after participating in an assessment center.
(Fletcher, 1991). More insight is needed into well-being of applicants that are hired but perceive this decision or the procedure that led to it as unfair.

To be able to formulate our expectations with respect to the interactive influence of selection outcome and procedural fairness, we turned to other applicant personal reactions that have been found to be affected by selection outcomes or fairness perceptions. Ployhart and Ryan (1998), for example, found that procedural fairness hardly affected self-efficacy of individuals who were rejected, but for those who were selected, self-efficacy was lowered when procedures were perceived as unfair. In two other studies, procedural fairness (job-relatedness) similarly appeared to have a positive impact on self-efficacy of hired individuals, and a negative impact on self-efficacy for rejected individuals (Gilliland, 1994; Schroth & Shah, 2000). Based on these findings, we expected that procedural fairness would moderate the influence of a selection outcome on well-being, in such a way that fair procedures would lead to higher well-being for hired individuals, but to lower well-being for rejected individuals. We therefore hypothesized as follows:

**Hypothesis 1a:** Procedural fairness will moderate the influence of a selection outcome on affective well-being, such that well-being of hired applicants will be highest when they perceive the procedure as fair, whereas well-being of rejected applicants will be highest when they perceive the procedure as unfair.

Similar to procedural fairness, distributive fairness may influence the impact of a selection outcome on an applicant’s well-being. A positive selection outcome may only lead to positive reactions in case a hired applicant thinks this decision is fair. A hired applicant who feels the decision is unfair, may be unsatisfied with the outcome. This overpayment inequity may cause emotional dissatisfaction (Adams, 1965). To our knowledge, no studies into the influence of distributive fairness on well-being of hired applicants exist, and only two preliminary laboratory studies have investigated these relationships for rejected applicants (Schinkel et al., 2004; Schinkel et al., 2008). In both studies, a generally negative influence of distributive fairness on rejected applicants’ well-being was found: those who perceived the
negative outcome as fair showed lower well-being than those who thought the outcome was unfair. Based on these findings, we hypothesized as follows:

**Hypothesis 1b**: Distributive fairness will moderate the influence of a selection outcome on affective well-being, such that well-being of hired applicants will be highest when they perceive the outcome as fair, whereas well-being of rejected applicants will be highest when they perceive the outcome as unfair.

**Organizational Attractiveness Perceptions**

Sparse applicant reactions studies have investigated whether the effect of a selection outcome on reactions toward the organization could be contingent on procedural fairness, and these have rendered inconsistent results. For example, recommendation intentions have appeared to be influenced by the selection outcome with explanation (procedural fairness rule)-interaction (Gilliland, 1994), but not by selection outcome x job-relatedness rule (Gilliland, 1994) or administration consistency rule (Ployhart & Ryan, 1998).

An organizational justice study of fairness in the workplace, investigating employees’ reactions to reorganization and job loss, however, found that perceived procedural fairness influenced the impact of outcomes on organizational trust (Brockner et al., 1994). More specifically, when employees perceived the procedures for reorganizing and lay-off decisions as fair, the outcome they received hardly affected their trust in the organization. In contrast, when procedures were perceived as unfair, the outcome had a greater impact on reactions: in this case, those who were laid-off reported far less trust in the organization than those who survived the reorganization. Here, the nature of the employee - organization relationship seems comparable to that of the applicant - organization relationship (as discussed above), because both concern an evaluative and asymmetrical situation, and the outcome may therefore become extremely influential. We thus assumed a similar interactive effect of outcome and procedural fairness to exist in a selection environment. Based on this finding, we expected organizational attractiveness perceptions of hired and rejected applicants to differ most when procedures are perceived as unfair. Thus, we hypothesized as follows:
Hypothesis 2a: Procedural fairness will moderate the influence of a selection outcome on organizational attractiveness, such that the outcome will have greatest impact on attractiveness when applicants perceive the procedure as unfair.

Gilliland (1993) presumed that interactive effects could also exist for selection outcomes and the perceived fairness of these outcomes for organizational reactions. However, we do not know of any studies in which the interactive effects of selection outcomes and distributive fairness on organizational attractiveness are examined. Therefore, we based our assumptions on Gilliland’s (1993) early theorizing: we expected that perceptions of hired and rejected applicants would likewise differ most when the outcome was perceived as unfair. Therefore, we again hypothesized as follows:

Hypothesis 2b: Distributive fairness will moderate the influence of a selection outcome on organizational attractiveness, such that the outcome will have greatest impact on attractiveness when applicants perceive it as unfair.

Method

Participants and Procedure

Participants were individuals applying for a variety of jobs at the Dutch division of a large international publishing company. Questionnaires were collected at two points in time. All applicants who were invited for a job interview by this organization were also invited to participate in the study, by means of an explanatory letter. The letter was sent along with the invitation for a job interview, by the human resource representatives or secretaries of the organization. The selection interview was the first step in the selection process, and mostly the only method of evaluation; in rare cases a second interview was planned before a decision was made. The package also included the first (pre-interview) questionnaire and a stamped return envelope, addressed to the university (to be dropped in a closed drop-box in the office where the interview was held, to guarantee anonymity).
Participants were informed that their responses would be used for research purposes only, that these would only be available to the university researchers, and that codes would be used to match the data (thus making it impossible for the organization to use participants’ responses on a questionnaire for selection decisions). In the explanation letter, the voluntary nature of participation was emphasized and confidentiality of answers was guaranteed. Participants were asked to provide their home address on the first questionnaire if they wished to be sent a second questionnaire after receiving their selection outcome. The researchers were informed of the selection decision each participant received by the organization’s secretaries, either the same day or the day after participants had been informed of the decision. If applicants had indicated they wished to receive the second questionnaire, the researchers sent this questionnaire to their home address within five work days (including explanation letter and return envelope).

Of the 389 job applicants who returned the first questionnaire (i.e., pre-interview), 244 were male (63%); mean age was 31 (SD = 7.47), mean work experience in years was 7.30 (SD = 4.76), 57% of T1 respondents reported to currently be employed. 98% of respondents reported to have Dutch nationality. Of these 389 individuals, 161 also returned the second questionnaire (i.e., post-outcome; response = 41%). The mean time between sending out and receiving the second questionnaire from participants was 19 days (SD = 7.68). Of these 161 questionnaires, 34 could not be used (due to return after project deadline, applicant’s withdrawal from the procedure, or too many missing answers).

Of the remaining 127 applicants, 31 were hired and 96 rejected. The percentage of rejected participants responding at T1 and T2 was fairly similar: 79% and 76%, respectively. Further, t-tests showed that participants responding at T1 only versus those responding at T1 and T2 did not significantly differ in age: (M T2 = 32, SD = 8.33) or work experience (M T2 = 8.28, SD = 8.66). Of participants responding also to T2, 60% were male, 98% reported to be Dutch, and 47% reported to currently be employed.
Measures

Demographic variables collected (first questionnaire) included gender, age, nationality, work experience and current work situation (employed/unemployed). All answers could be given on 5-point Likert-scales, such that higher numbers indicate higher agreement/quantity of the attribute.

The selection outcome a respondent received (hire/reject) was obtained from the organization.

Procedural fairness perceptions were measured post-outcome (T2) with 14 items from Bauer et al.’s (2001) Selection Procedural Justice Scale (SPJS), adapted to the interview situation. Example items are “I was treated politely during the interview” and “There was enough communication during the interview”. The reliability of the scale in this study was good: alpha = .91.

Distributive fairness perceptions were measured post-outcome (T2) with two items from the Selection Procedural Justice Scale (Bauer et al., 2001). The items were “In my opinion the selection decision is rightly made” and “Whether or not I got the job, I feel the selection decision was fair”. Cronbach’s alpha in this study was moderate: alpha = .75.

Affective well-being was measured pre-interview (T1) and post-outcome (T2) with twelve adjectives (six positive, six negative; developed by Warr, 1990), preceded by the sentence “At this moment, to what extent do you feel ...?”. Example adjectives are “calm; enthusiastic; worried; depressed”. This scale was developed to measure relatively short-term feelings, rather than longer-term assessments like life satisfaction (Warr, 1990). Cronbach’s alpha in this study was good: alpha = .88, both at time 1 and time 2.

Organizational attractiveness was measured pre-interview (T1) and post-outcome (T2) with three items developed for this study (Ployhart & Ryan, 1998), e.g. “I find the organization where I applied for a job attractive”. Cronbach’s alpha’s were .74 and .76, respectively.
Results

Preliminary analyses

None of the demographic variables gender, age, nationality, work experience and current work situation (employed/unemployed) related to any of the study variables; therefore they were not included in the further analyses. Means and standard deviations of post-outcome affective well-being and organizational attractiveness in the hire and reject conditions are shown in Table 2.1.

Table 2.1
Means and standard deviations of pre-interview and post-outcome affective well-being and organizational attractiveness in the two selection outcome conditions.

<table>
<thead>
<tr>
<th></th>
<th>Hired</th>
<th></th>
<th>Rejected</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M</td>
<td>SD</td>
<td>M</td>
<td>SD</td>
</tr>
<tr>
<td>Affective well-being</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T1</td>
<td>3.76</td>
<td>.60</td>
<td>4.05</td>
<td>.57</td>
</tr>
<tr>
<td>T2</td>
<td>4.14</td>
<td>.37</td>
<td>4.11</td>
<td>.58</td>
</tr>
<tr>
<td>Organization attractiveness</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T1</td>
<td>4.35</td>
<td>.63</td>
<td>4.19</td>
<td>.80</td>
</tr>
<tr>
<td>T2</td>
<td>4.12</td>
<td>1.05</td>
<td>3.50</td>
<td>1.03</td>
</tr>
</tbody>
</table>


Table 2.2 shows correlations between the variables. Interestingly, affective well-being appeared not to be directly related to the selection outcome, procedural fairness or distributive fairness. Organizational perceptions appeared to be related to the selection outcome and to procedural fairness. No outliers were identified on examination of the data; therefore, all respondents were retained in the further analyses. Correlation between pre-test (T1) and post-outcome (T2) affective well-being was: \( r = .54, p < .01 \), which means it can be regarded as a moderately stable, yet changeable variable. Correlation of pre-test and post-outcome organizational attractiveness was: \( r = .26, p < .01 \). Correlations among the three independent variables (selection outcome, procedural fairness, and distributive fairness) ranged from \( r = .27, p < .01 \) to \( r = .42, p < .01 \).
Table 2.2
Means, standard deviations, reliabilities and correlations for all study variables.

<table>
<thead>
<tr>
<th>Measures</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Selection outcome</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2. Procedural fairness</td>
<td>4.00</td>
<td>.44</td>
<td>.27**</td>
<td>(.91)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Distributive fairness</td>
<td>3.16</td>
<td>1.14</td>
<td>.42**</td>
<td>.35**</td>
<td>(.75)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Well-being (T1)</td>
<td>3.98</td>
<td>.58</td>
<td>-.16</td>
<td>.08</td>
<td>.03</td>
<td>(.88)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Well-being (T2)</td>
<td>4.12</td>
<td>.53</td>
<td>.03</td>
<td>.12</td>
<td>.07</td>
<td>.54**</td>
<td>(.88)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Org attractiveness (T1)</td>
<td>4.23</td>
<td>.76</td>
<td>.18*</td>
<td>.16*</td>
<td>.05</td>
<td>-.07</td>
<td>.08</td>
<td>(.74)</td>
<td></td>
</tr>
<tr>
<td>7. Org attractiveness (T2)</td>
<td>3.65</td>
<td>1.04</td>
<td>.22*</td>
<td>.37*</td>
<td>.11</td>
<td>-.04</td>
<td>.04</td>
<td>.26**</td>
<td>(.76)</td>
</tr>
</tbody>
</table>

Notes. Reliability coefficients per measurement appear on the diagonal. *p < .05, **p < .01 (two-tailed).

Hypothesis testing

Because some of the analyses involved both categorical (dummy coded selection outcome) as well as continuous (procedural and distributive fairness) variables, all hypotheses were tested with regression analyses. In accordance with Bauer et al. (1998), and Ployhart and Ryan (1997), we controlled for initial levels of well-being and organizational attractiveness in the regression analyses.

Hypothesis 1a predicted that the influence of a selection outcome on affective well-being would be moderated by procedural fairness. First, moderated regression analyses with selection outcome (dummy coded: reject = "0"; hire = "1"), procedural fairness (Step 2), and the two-way interaction variable (Step 3) as independent, and post-outcome well-being as the dependent variable (and initial well-being controlled for in Step 1) were performed. Because distributive fairness may partly influence results (Brockner & Wiesenfeld, 1996), we included its direct and interaction effect (with selection outcome) in the regression analyses in Step 2 and 3, respectively. Results revealed that the proposed moderation effect was not significant: F(6, 120) = 10.50, ΔF = 3.06, R² = .34, ΔR² = .03, p < .05; β = -.10, p = ns, for the final equation (see Table 2.3). This means Hypothesis 1a was not supported.
Table 2.3
Regression of affective well-being on selection outcome (hired versus rejected), procedural fairness and distributive fairness.

<table>
<thead>
<tr>
<th>Step</th>
<th>Affective well-being (T1)</th>
<th>B</th>
<th>β</th>
<th>$R^2$</th>
<th>$\Delta R^2$</th>
<th>F</th>
<th>$\Delta F$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td></td>
<td></td>
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<td></td>
<td>Affective well-being (T1)</td>
<td>.54</td>
<td>.55**</td>
<td>.28</td>
<td>-</td>
<td>47.35***</td>
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<tr>
<td>Step 2</td>
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<td>.05</td>
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<td></td>
<td>Procedural fairness</td>
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<td>.06</td>
<td></td>
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<td></td>
<td>Distributive fairness</td>
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<td>.01</td>
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<tr>
<td>Step 3</td>
<td>Selection outcome x Procedural fairness</td>
<td>-.29</td>
<td>-.10</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Selection outcome x Distributive fairness</td>
<td>.23</td>
<td>.25**</td>
<td></td>
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</table>

Note. The reported statistics are standardized regression coefficients and are for the final equation, including all independent variables. Df Step 1 = (1, 125); Df Step 2 = (4, 122); Df Step 3 = (6, 120); total df all steps = 126. † p < .10; * p < .05, ** p < .01, *** p < .001 (two-tailed).

Hypothesis 1b predicted that the influence of a selection outcome on affective well-being would be moderated by distributive fairness. Similar moderated regression analyses, with distributive fairness as moderator variable, were performed. Results revealed that distributive fairness indeed significantly moderated the effect of a selection outcome on affective well-being: $F(6, 120) = 10.50, \Delta F = 3.06, R^2 = .34, \Delta R^2 = .03, p < .05; \beta = .25, p < .01$, for the final equation (see Table 2.3).

Figure 2.1 shows that, as hypothesized, applicants who were hired reported highest well-being when they perceived the selection outcome as fair. In contrast, applicants who were rejected reported highest well-being when they thought the outcome was unfair. Thus, Hypothesis 1b was supported.
Hypothesis 2a predicted that the influence of a selection outcome on organizational attractiveness would be moderated by procedural fairness. Again, moderated regression analyses, with post-outcome organizational attractiveness as the dependent variable and procedural fairness as moderator variable, were performed. Results revealed that procedural fairness indeed significantly moderated the effect of selection outcome on organizational attractiveness: $F(6, 120) = 7.23$, $\Delta F = 4.05$, $R^2 = .25$, $\Delta R^2 = .05$, $p < .05$; $\beta = -.24$, $p < .01$, for the final equation (see Table 2.4).

As can be seen in Figure 2.2, the selection outcome indeed appeared to have the greatest impact on organizational attractiveness when procedures were perceived as unfair. More specifically, organizational attractiveness perceptions of applicants who received a positive selection outcome were hardly influenced by the perceived fairness of the procedure. Perceptions of those who were rejected, however, were positively influenced by procedural fairness: The more fair they perceived the selection procedure to be, the more attractive they found the organization, despite being rejected. This means Hypothesis 2a was supported.
Table 2.4
Regression of organizational attractiveness on selection outcome (hired versus rejected), procedural fairness and distributive fairness.

<table>
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<tr>
<th>Organizational attractiveness</th>
<th>$B$</th>
<th>$\beta$</th>
<th>$R^2$</th>
<th>$\Delta R^2$</th>
<th>$F$</th>
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<td>.19**</td>
<td>.08</td>
<td>-</td>
<td>12.32***</td>
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<tr>
<td>Selection outcome</td>
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<td>.17</td>
<td>.20</td>
<td>.12</td>
<td>8.42</td>
<td>6.61***</td>
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<td>-.10</td>
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<tr>
<td>Step 3</td>
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<td></td>
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<tr>
<td>Selection outcome x Procedural fairness</td>
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<td>-.24**</td>
<td>.25</td>
<td>.05</td>
<td>7.23</td>
<td>4.05*</td>
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<td>Selection outcome x Distributive fairness</td>
<td>.48</td>
<td>.25*</td>
<td></td>
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</tbody>
</table>

Note. The reported statistics are standardized regression coefficients and are for the final equation, including all independent variables. $df$ Step 1 = (1, 125); $df$ Step 2 = (4, 122); $df$ Step 3 = (6, 120); total df all steps = 126. * $p < .05$, ** $p < .01$, *** $p < .001$ (two-tailed).

Figure 2.2. Organizational attractiveness across selection outcome (hired versus rejected) and procedural fairness (PF: low vs. high). (Figure based on +/- 1 SD of independent variables.)
Hypothesis 2b predicted that the influence of a selection outcome on organizational attractiveness would be moderated by distributive fairness. Again, moderated regression analyses with post-outcome organizational attractiveness as the dependent variable and distributive fairness as moderator variable, were performed. Indeed, distributive fairness appeared to moderate the effect of selection outcome on organizational attractiveness: \( F(6, 120) = 7.23, \Delta F = 4.05, R^2 = .25, \Delta R^2 = .05, p < .05; \beta = .25, p < .05 \), for the final equation (see Table 2.4).

As hypothesized, differences between hired and rejected applicants appeared to be largest when the selection decision was perceived as unfair. More specifically, applicants who were hired and perceived this outcome as fair thought the organization was attractive, whereas those who were hired but thought the outcome was unfair appeared to find the organization far less attractive. Surprisingly, distributive fairness in this study hardly affected attractiveness perceptions of applicants who were rejected. (See also Figure 2.3). Thus, Hypothesis 2b was supported.

Figure 2.3. Organizational attractiveness across selection outcome (hired versus rejected) and distributive fairness (DF: low vs. high). (Figure based on +/- 1 SD of independent variables.)
Discussion

This study contributes to the growing body of research into selection fairness, where still little knowledge exists on interactive effects of selection outcomes and fairness perceptions (Gilliland, 1994; Ployhart et al., 1999). In a two-wave field study, differential interactive effects were found for procedural versus distributive fairness on applicant affective well-being and organizational attractiveness after being either hired or rejected. The results of the study largely supported the hypotheses proposed.

First, it was observed that applicants who were hired reported highest well-being when they perceived the outcome as fair. In contrast, rejected applicants showed highest well-being when they thought the outcome was unfair. This finding partly is in line with previous research showing higher well-being for rejected applicants when they perceived the outcome as unfair (Schinkel et al., 2004) and can plausibly be explained by self-serving bias theory (Miller & Ross, 1975). This theory assumes that people generally are less inclined to feel responsible for failure than for success, and try to attribute this failure to some external factor. Thus, a self-serving bias may particularly occur when applicants receive a negative selection outcome (Ployhart & Harold, 2004): in a rejection situation, people may have higher well-being and self-perceptions when they perceive the outcome they received as unfair. Unlike expectations, procedural fairness was not found to moderate the effect of a selection outcome on applicant well-being. An explanation of this finding might be that this type of fairness is not directly linked to the personally relevant selection outcome.

Procedural fairness did, however, affect an organization’s reputation. As hypothesized, organizational attractiveness perceptions of hired and rejected applicants appeared to differ most in situations that were perceived as unfair. Apparently, a selection outcome has a greater influence on an individual’s organizational perceptions when he or she perceives the procedure or outcome as unfair. This finding is in line with research into reorganizations, in which the outcome appeared to have the greatest impact on attractiveness perceptions (of lay-off victims and survivors) when procedural fairness was perceived to be low. When fairness was perceived as high, the outcome hardly affected reactions (Brockner et al., 1994). More specifically, in the present study, procedural fairness
merely affected organizational perceptions of applicants who were rejected. These individuals perceived the organization as more attractive when they thought the decision was based on fair procedures. Interestingly, applicants who were hired appeared to be indifferent to procedural fairness: no significant difference was found for organizational attractiveness between hired individuals who thought the procedure was fair and those who thought it was unfair.

Similar to the finding for procedural fairness, differences in applicant organizational perceptions were largest when distributive fairness was perceived as low (i.e., when the outcome was perceived as unfair). However, the pattern of this effect largely differed from that of the selection outcome x procedural fairness interaction. Strikingly, distributive fairness hardly affected organizational perceptions of rejected applicants, whereas hired applicants showed a strong reaction to this type of fairness. Those individuals that were hired but felt the decision to be unfair showed a tremendous decrease in organizational attractiveness perceptions. This finding is in accordance with the early assumption by Adams (1965), and with previous research by Gilliland (1993) and Ployhart and Ryan (1998), stating that individuals who are hired but perceive this outcome as unfair may feel unsatisfied. In sum, for applicants who were hired, fairness of the outcome seemed most important in determining post-outcome organizational attractiveness perceptions. For those individuals who were rejected, however, fairness of the procedure seemed most influential in determining organizational perceptions.

In addition, we would like to note that correlations in the present field study appeared to be very close to those found for authentic contexts in the meta-analysis by Hausknecht et al. (2004). In the present study, procedural fairness and post-outcome organizational attractiveness correlated .37; the average correlation of the 15 field studies in the Hausknecht study was .39 (measurement moment not taken into account). Correlation of distributive fairness and post-outcome organizational attractiveness in our study was .11, and .14 in the Hausknecht study (average of four field studies). Compared to the average correlations in the hypothetical studies of organizational attractiveness with procedural (.50) and distributive (.41) fairness in the meta-analysis, these outcomes warrant more research in actual contexts.
**Limitations**

Several potential limitations of the present study should be noted. The first limitation concerns a possible method bias: perceptions of procedural fairness were measured simultaneously with distributive fairness perceptions (after participants were provided with the selection outcome). Therefore, procedural fairness perceptions might have been influenced by their perceptions of outcome fairness. (To compare: in the Hausknecht et al. (2004) meta-analysis, average correlation of organizational attractiveness with procedural fairness pre-test was $r = .20$, but with post-outcome (i.e., simultaneously measured) this increased to .50.) However, the interaction of selection outcomes and fairness perceptions can only be tested after this outcome is received by applicants (Bauer et al., 1998). In future research, fairness perceptions should be measured both shortly before and shortly after the selection outcome is provided, to be able to test for differences that can solely be due to the outcome.

A second limitation is that distributive fairness was measured with only two items. Despite this, the internal consistency of this scale was satisfactory and the findings were in line with hypothesized effects.

Third, in this study, as in real life, far less applicants were hired than rejected (31 versus 96, respectively), which may have affected the robustness of our results. Despite these limitations, however, it should be noted that the major strength of this study is its external validity. Only few researchers to date have investigated interactive effects of selection outcomes and perceived fairness on reactions of applicants in actual selection situations, limiting external validity (Chan & Schmitt, 2004; Hausknecht et al., 2004; Ryan & Ployhart, 2000).

**Implications for Research and Practice**

The study in this paper provides several theoretical as well as practical implications. First, the results of this study suggest that interaction effects may exist for selection outcomes and perceived fairness. Although the actual selection decision and applicants’ perceptions of the fairness of that decision seem highly related, they are two distinct constructs, and therefore may interact to influence reactions (Gilliland, 1993; Ployhart & Ryan, 1997).
Further, despite growing research attention for applicant reactions to all kinds of selection events, knowledge of the differential impact of procedural and distributive fairness on applicant post-outcome reactions is still notably lacking. Additionally, several calls for research (e.g., Gilliland, 1993) unfortunately have not yet led to more knowledge about applicants’ well-being after receiving selection decisions. Future research should further investigate these issues with both hired and rejected applicants.

Based on our results, it is further proposed that researchers investigate the influence of attributions in the formation of applicant reactions. As suggested previously (e.g., Chan, Schmitt, Jennings, Clause, & Delbridge, 1998a; Ployhart & Ryan, 1998; Ployhart & Harold, 2004; Schmitt, Oswald, Kim, Gillespie, & Ramsay, 2004), the attributions people make for the selection outcome they receive may largely determine their personal and organizational reactions.

Because word-of-mouth is a very powerful source for organizational attractiveness (Van Hoye & Lievens, 2005), preserving rejected applicants’ positive perceptions of the organization to prevent them from negatively recommending the organization to others or from ceasing the purchase of products or services is very important (Hausknecht et al., 2004). In relation to this issue, the effects of perceivably being hired unfairly - possibly occurring in affirmative action procedures - on applicants’ reactions should be further investigated.

In conclusion, we urge organizations to pay more attention to the fairness of selection events. Procedural fairness preserves their good image, especially with rejected applicants, whilst distributive fairness bolsters the well-being and organizational attractiveness perceptions of their new entrants.