The Impact of Perceived Organizational Justice, Psychological Contract, and the Burnout on Employee Performance: The Moderating Role of Organizational Support, in the Portuguese Context

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Abstract

Purpose: To identify the impact of perceived organizational justice (POJ), the psychological contract (PC), and burnout (BUR) on the employee's individual performance (IP). The moderating role of perceived organizational support (POS) is analysed.

Methodology: The study uses a structured questionnaire to gather data from a cross-sectional sample of 407 employees. Structural Equation Modelling (SEM) is used to test the proposed hypotheses, and a multi-group analysis is conducted to find how the perception of the PCV can impact on the suggested relationships.

Findings: POJ has a positive impact on the PC and on IP. However, the impact of the PC and the first two dimensions of BUR on IP are not significant. POS moderates some of the suggested relationships.

Implications: contributes to the knowledge about the combined impact of POJ, the PC and BUR, introducing the role of POS as a moderating variable in the relationships between organizations and employees. The global results may inform strategies to secure positive human resource management (HRM) outcomes.
Originality: This research is original in order these concepts and relationships of mediation and moderation are presented in a single study providing a model that depicts a chain of important effects.

Keywords: Perceived organizational justice; psychological contract; burnout; perceived organizational support; individual performance.

Introduction

The relationship between organizations and their employees has been investigated for decades by scholars and human resource managers (Aggarwal & Bhargava, 2010). Nowadays, this relationship is even more important as the need for people and organizations to become more competitive and successful has grown (Aggarwal & Bhargava, 2010; Beheshtifar & Herat, 2013; Rastgar & Pourebrahimi, 2013). Consequently, it is necessary to identify and understand the factors affecting this relationship (Aggarwal & Bhargava, 2010).

The idea that justice may play an important role in promoting the efficient functioning of organizations is not surprising (Epitropaki, 2012; Rastgar & Pourebrahimi, 2013). Indeed, Epitropaki (2012) has observed that employees evaluate their organizations on the degree of organizational justice they perceive to exist, and through such evaluation, they decide to be more or less involved or to be or not to be part of the organization. Organizational justice is a clear indicator of whether employees are respected by an organization and hence, the amount of pride they feel in being part of it (Bakhshi et al., 2009; Epitropaki, 2012).

Together with organizational justice, positive employer-employee relationships are essential for success. This overall interaction assumes the idea of exchange between employees and organizations in the expectation of mutual benefit (Zhang & Agarwal, 2009; Aggarwal & Bhargava, 2010; Beheshtifar & Herat, 2013; Shan et al., 2015).

More recently, investigation has focused on another issue of the employee/company relationship – the psychological contract (PC) (Coyle-Shapiro & Kessler, 2000). In a working relationship, an employee expects the organization to reward him/her according to what was promised, namely, relational incentives (e.g., opportunity to develop skills) and transactional incentives (e.g., competitive salary). All these promises generate employee perceptions of the PC (Coyle-Shapiro & Kessler, 2000).

According to Aggarwal and Bhargava (2010), when employees believe their organization has not fulfilled its contractual obligations, a psychological contract violation (PCV) occurs, and this leads to negative behaviours such as loss of confidence (Robinson, 1996; Deery et al., 2006), dissatisfaction at work (Tekleab et al., 2005; Montes & Irving, 2008), increase in turnover intentions (Guzzo et al., 1994), and absenteeism (Deery et al., 2006), among others.

In the current economic climate characterized by instability in employment conditions, the nature of relationships between employee and organization has changed and job insecurity perceptions have increased (Almeida, 2013; Piccoli & Witte, 2015). On the individual level, job insecurity has been related to a variety of negative outcomes (Piccoli & Witte, 2015), and increased levels of emotional exhaustion (burnout) that represent important costs for organizations (Campbell et al., 2013; Piccoli & Witte, 2015).
Burnout has become an endemic problem today (Simba et al., 2014). It is described as a state of physical and mental exhaustion whose cause is closely linked to professional life (Campbell et al., 2013; Simba et al., 2014; Piccoli & Witte, 2015). This physical and mental exhaustion is likely to induce limitations and behaviours that may affect workers’ reactions and their individual performance (Campbell et al., 2013; Simba et al., 2014; Piccoli & Witte, 2015).

Burnout creates an individual context that may introduce different outcomes for the same situations and may cause numerous problems for people afflicted by it, as well as for organizations.

The purpose of this study is to identify the impact of POJ, the PC and BUR on IP, and to understand the moderating role of POS. The choice of these variables is related to their importance and to the fact that the literature suggests they play important roles, although little investigation has been undertaken to test their impact (Epitropaki, 2012; Beheshtifar & Herat, 2013). In the study we aim to identify how POJ, the PC and the BUR interact in the context of lower/higher POS, and how they influence employee performance, to boost organizational success. The effects of these variables associated with a context influenced by organizational support is original and relevant. It presents a scenario that facilitates the understanding of the combined effect of three important variables (studied separately, but not at the same time). With this knowledge, organizations and managers must wager in the transparency of processes, good communication, quality interpersonal relationships, and organizational support, and they must avoid burnout.

1. Research background and hypotheses development

Social exchange theory suggests a two-sided approach based on a rewarding process that may shape relationships, namely, between organizations and their employees. In the organizational context, it means the exchange of workers’ commitment and loyalty for tangible benefits (e.g. salary, promotions) and socio-emotional benefits (e.g. respect, recognition) given by the organization (Eisenberger et al., 1986; Tokmark et al., 2012). Employees who identify highly with their organizations are more likely to contribute to reach and achieve organizational goals (Edward & Peccei, 2010; Frenkel & Yu, 2011; Aqeel & Ahmed, 2014). Accordingly, the study of POJ appears in the work of Homans (1961), which specifically focuses on Exchange Theory and the PC sets the relationship between organizations and their workers based on reciprocal obligations.

Adams (1965) proposes an Organizational Justice concept based on three dimensions: distributive justice considers perceptions of outcomes fairness (salary); procedural justice relates to the fairness of the procedures used in the decision-making process (Greenberg, 1990), and interactional justice refers to the fairness of the interpersonal treatment received, when people are treated with sensitivity, dignity and respect (Rastgar & Pourebrabimi, 2013).

Organizational justice and corporate social responsibility (CSR) both focus on justice, on individual rights, and on decisions based rather on morality than on benefits (Rupp et al., 2011). Both concepts are related to the way employees are treated. Tziner et al. (2011) found a positive relationship between employees’ CSR perceptions and their POJ. Al-Zu’bi (2010) concludes that job satisfaction depends directly on the perceptions of all dimensions of
organizational justice which may overlap with CSR practices. To other authors, only distributive justice relates to job satisfaction (e.g. Hartman et al., 1999; Butt, 2014), and then with individual productivity.

All these results lead to better performance, supporting the social exchange theory. Basically, POJ is a predictor of employees’ attitudes and behaviours (Assmar et al., 2005), with any perceived unfairness having the potential to cause poor quality and productivity at work, high staff turnover, and absenteeism.

The origins of the psychological contract date back to the writings of Argyris (1960) and Schein (1980). The PC can be defined as a set of individual beliefs or perceptions regarding reciprocal obligations between the employee and the organization (Butt, 2014). Some of these obligations are documented in the written formal contract of employment, but largely they are implicit and not openly discussed. For example, the employee has expectations in the areas of promotion, pay, job security, career development, and support with personal problems. In return, the employer expects the employee to be willing to work extra hours, to be loyal, and to protect company information (Butt, 2014), among others.

Most studies concerning the PC have focused on the effects of PCV on employee attitudes and behaviours (see for example, Kickul et al., 2002). PCV can reduce the levels of confidence at work, leading individuals to put their individual interests above those of the organization (Cassar & Briner, 2011). Chrobot-Mason (2003), Tekleab et al. (2005), and Turnley and Feldman (2000) all undertook studies that demonstrate the PC to be a predictor of positive organizational outcomes. When individuals feel that the organization is meeting its obligations, they tend to create emotional connections, repaying the organization with citizenship behaviours, such as increasing job satisfaction and affective commitment, both of which reduce turnover. Other studies have also concluded a connection between PC and job satisfaction (see for example, Coyle-Shapiro & Conway, 2005; Chrobot-Mason, 2003; Tekleab et al., 2005; Turnley & Feldman, 2000; Tekleab & Chiaburu, 2010).

When PCV occurs, trust is negatively affected, and co-operation and performance decrease. Suazo and Turnley (2010) note that when this happens, there are negative results such as reduced employee performance. Epitropaki (2012) argues that PCV is a critical variable in the relationships between employees and the organization, originating negative feelings that impact upon organizational survival.

1.1. Perceived Organizational Justice and the Psychological Contract

Epitropaki (2012) suggests that perceived justice is a potential predictor of PC. Cassar and Buttigieg (2015) also suggest that perceived justice can act as a regulating mechanism for specific decisions and interactions, which may influence the onset of PCV.

According to Rousseau (1995), fair procedures should reduce adverse reactions to perceived violations. Even when there is PCV, if the procedures are fair, the employee still perceives him/herself as being an organizational member. Therefore, individuals who are given more truthful and specific information (procedural justice) are more likely to have a sense of interactional justice and because of this they are less likely to keep monitoring their organization for possible breaches (Rousseau, 1995; Cassar & Buttigieg, 2015).
Consequently, the following hypothesis is proposed:

**H1: POJ has a positive impact on PC**

### 1.2. Perceived Organizational Justice and Individual Performance

There are many research studies concerning the impact of justice on organizational variables such as job satisfaction, organizational commitment, citizenship behaviour, communication, turnover intentions, and trust (Colquitt et al., 2001; Caetano & Vala, 1999; Konovsky & Cropanzano, 1991; Cropanzano & Greenberg, 1997; Zhang & Agarwal, 2009; Lv et al., 2012; Lamm et al., 2015). When individuals feel they are exposed to injustice, absenteeism and turnover increase (Caetano & Vala, 1999), and retaliation against the organization in the form of robbery and/or sabotage may arise (Cropanzano & Greenberg, 1997). Consequently, injustice may affect performance.

Bies and Moag (1986) also suggest that procedural justice influences organizational outcomes, namely organizational commitment and turnover intentions. Specifically, there is an impact on satisfaction and confidence if the decisions made by the organization are seen to be fair.

For employees, the perception of justice is an important factor affecting their judgements about their organizations, and those judgements affect their intentions to either remain with the organization, or leave it and seek other employment (Rastgar & Pourebrahimi, 2013). Al-Zu’bi (2010) concludes that job satisfaction depends directly on the perceptions of all dimensions of organizational justice which may overlap with CSR practices. Other scholars believe that only distributive justice relates to job satisfaction (e.g. Hartman et al., 1999 and Butt, 2014), and then to individual productivity.

According Shan et al. (2015), organizational justice has been studied in the context of job performance, it being found that when employees are underpaid, they decrease their level of performance whereas when they are overpaid they work harder to enhance their individual contribution. All these results show how organizational justice leads to better performance, supporting the social exchange theory. Basically, POJ is a predictor of employees’ attitudes and behaviours (Assmar et al., 2005), with any perceived unfairness having the potential to cause poor quality and productivity at work, high staff turnover, and absenteeism. Authors such as Earley and Lind (1987), Konovsky and Cropanzano (1991), and Aryee et al., (2004), have concluded that POJ has a positive impact on IP.

Consequently, the following hypothesis is proposed:

**H2: POJ has a positive impact on IP**

### 1.3 Psychological Contract and Individual Performance

Fulfilment of the PC can increase the levels of confidence at work, leading individuals to put the organization’s interests above their own personal ones (Cassar & Briner, 2011). Chrobot-Mason (2003), Tekleab et al. (2005), and Turnley and Feldman (2000) all undertook studies that show PC to be a predictor of positive organizational outcomes. When individuals feel the organization is meeting its obligations, they tend to create emotional connections,
repaying the organization with citizenship behaviours, such as increased job satisfaction and affective commitment, and reduced turnover.

In the presence of a PC breach, trust is negatively affected and co-operation and performance decrease. Suazo and Turnley (2010) note that when this happens, there are negative results such as reduced employee performance. Epitropaki (2012) argues that PCV is a critical variable in the relationships between employees and the organization, originating negative feelings that impact upon organizational survival. Robinson (1996), Johnson & O’Leary-Kelly (2003), and Chao et al., (2011) have argued that a positive relationship exists between the PC and IP. Furthermore, according Chambel and Oliveira-Cruz (2010), a breach of the psychological contract has an effect on engagement and on productivity.

Consequently, the following hypothesis is proposed:

**H3: The PC has a positive impact on IP**

### 1.4 Burnout, Psychological Contract and Individual Performance

Burnout is a chronic state of exhaustion, depersonalization, and diminished accomplishment, which can negatively affect physical and psychological health (Campbell et al., 2013). Additionally, the concept of job burnout has been used to explain employees’ chronic and cumulative job stress in the workplace (Choi et al., 2012).

Burnout is a prominent problem that is plaguing organizations today (Simba et al., 2014) and is typically understood to be a three-dimensional construct consisting of three components – emotional exhaustion (EE), depersonalization (DP), and reduced personal accomplishment (RPA) (Maslach & Schaufeli, 1993; Simba et al., 2014). Emotional exhaustion describes the over solicitation or the depletion of the emotional, moral and psychological resources (Simba et al., 2014). Depersonalization refers to the dehumanization of one person/group by another. It results in a disconnection, or ‘emotional dryness’, an outcome similar to cynicism (suggested by Maslach) about the ‘raison d’être’ for professional activity (Almeida, 2013). RPA reflects the feeling of incapacity to do a good job, and embodies a sense of frustration, devaluation, guilt, demotivation at work, and a wish to change the job (Almeida, 2013). It refers to a decrease in belief about job competence and productivity (Siu et al., 2014; Simba et al., 2014; Kar & Suar, 2014).

According to Jamil et al., (2013), burnout is an important work-related outcome, which is defined as emotional, mental, and physical exhaustion stemming from workplace stressors. Burnout is more than stress, it is a prolonged exposure to stress (Jamil et al., 2013). Important and typical antecedents of burnout include factors such as lack of social support, lack of feedback, lack of participation in decision-making, lack of organizational trust, lack of mutual working relationships, and work overload (Jamil et al., 2013), and PCV (Maslach et al., 2001).

Piccoli and Witte (2015) highlighted the importance of the quality of the relationships with the organization in explaining burnout. When examined as an antecedent, burnout has been commonly linked to absenteeism, job performance, and turnover (Jamil et al., 2013). Besides its impacts on employees, burnout may also affect outcomes that may interest managers, including reduced organizational commitment and increased turnover (Campbell et al., 2013; Kar & Suar, 2014), reduced job satisfaction, increased absence, impaired objective
performance, and more counterproductive work behaviours (Siu et al., 2013). Consequently, the effects on individual performance are substantial (Chen et al., 2012; Kar & Suar, 2014; Piccoli & Witte, 2015).

Maslach et al. (2001) suggest that PCV can act as a stressor for individuals, because it disrupts norms of reciprocity and increases gaps between individuals and their environments. Jamil et al., (2013) and Piccoli and Witte (2015) suggest that PCV is likely to generate burnout, destroying the beliefs of reciprocity which are critical for maintaining the employee’s well-being. On other hand, the fulfilment of the promises acts as a social support through an enduring relationship with the organization that can help buffer burnout (Brown, 2007). Furthermore, according to Chambel and Oliveira-Cruz (2010), a breach of the psychological contract has an effect on well-being, and consequently on burnout levels. Hence, PC can reduce burnout.

The following hypotheses are thus developed:

H4: The PC has a negative impact on Burnout
   H4a): The PC has a negative impact on EE
   H4b): The PC has a negative impact on DP
   H4c): The PC has a negative impact on RPA

According to Siu et al., (2014), several researchers such as Bakker et al.,(2008), Maslach et al., (2001) and Banks et al., (2012), note that burnout may reduce individual performance at an organizational level. Particularly, EE has been linked with reduced job satisfaction and organizational commitment, increased absence, and impaired objective performance (Siu et al., 2014). Consequently, the effects on individual performance are substantial (Chen et al., 2012; Kar & Suar, 2014; Piccoli & Witte, 2015).

The following hypotheses are therefore proposed:

H5: Burnout has a negative impact on IP
   H5a): EE has a negative impact on IP
   H5b): DP has a negative impact on IP

Depersonalization includes rigid, disinterested and apathetic employee attitudes and behaviours towards the feelings of people whom employees serve. In this scenario, employees attempt to alleviate the emotional baggage they carry by minimizing relations with people they meet through work and by perceiving them as objects. Eventually, they turn into bureaucrats who only act within rigid rules. Employees who suffer from depersonalization ignore others’ demands, may be condescending or rude, and fail to offer help. They are characterized by distance, lack of interest, hostile behaviour and negative reactions (Arabaci, 2010). From this, it can be suggested that such employees fail to give their best and start to do only what is necessary to keep their jobs.

Consequently, the following hypothesis is proposed:

H5a): DP has a negative impact on IP

Reduced personal accomplishment occurs when employees begin to develop negative thoughts about themselves and others. These employees feel unable to solve problems, perceive themselves as ‘unsuccessful’, have low morale, conflict with other individuals, have reduced motivation for work, and are unable to cope with problems (Maslach & Jackson, 1981; Arabaci, 2010). If employees do not receive recognition for their work, and perceive their
success to be unappreciated, they start to display symptoms of stress and depression. Likewise, if they believe that they will not be able to bring about any change through what they do, they stop making an effort altogether (Maslach & Jackson, 1981; Arabaci, 2010), and their feelings of job involvement and productivity (Kar & Suar, 2014; Simba et al., 2014; Siu et al., 2014) decrease.

Consequently, the following hypothesis is proposed:

\[ H_5c \]: RPA has a negative impact on IP

1.5 The moderating role of Perceived Organizational Support

The study of POS initially appears in the work of Homans (1961), but several studies have since been developed in the field of Organizational Support Theory (Tokmark et al., 2012; Beheshtifar & Herat, 2013). This theory holds that employees tend to assign human-like characteristics to their organizations (Eisenberger et al., 1986). Epitropaki (2012) argues that the supervisor is the central agent in the employee/organization relationship. The personification of the organization is assisted by the organization’s legal, moral, and financial responsibility for the actions of its agents. Individuals interpret the treatment they receive from the organization via their superiors, and this translates into a feeling concerning the degree of power which they feel is exerted upon them (Aselage & Eisenberger, 2003).

POS refers to employees’ perceptions of how the organization values their contributions and provides for their well-being (Tokmark et al., 2012; Beheshtifar & Herat, 2013). Such perceptions are based on the frequency, intensity, and sincerity of the organizational manifestations of approval via compliments, and material and social rewards for the effort made. Another relevant aspect refers to the sense of obligation and emotional commitment that POS can promote within employees, with the objective of helping organizations to reach their goals (Aggarwal & Bhargava, 2010) through higher performance (Arshadi & Hayavi, 2013).

Aqeel and Ahmed (2014) observe that high levels of POS create feelings of obligation within employees, who will work with their ‘heart’, to improve their performance such that organizational goals are met.

Folger and Cropanzano (1998) asserted that interactional justice can interact with satisfaction. This means that when the results are not favourable and there are inappropriate behaviours, individuals become resentful of the decision-maker. If, however, the decision-maker treats individuals with dignity and respect, giving them adequate explanations about their decisions, there is no such resentment. POS is better understood when organizations recognize and reward employees’ performance, appreciate their contributions, involve them in decisions, and care about their well-being. Such behaviours eventually lead to higher performance (Eisenberger & Stinglhamber, 2011; Campbell et al., 2013; Aqeel & Ahmed, 2014).

Epitropaki (2012) suggests that potential predictors of PC can be found in the levels of perceived justice. Additionally, violation of the psychological contract occurs when one party perceives that the other has failed to fulfil its obligations or promises. The employee’s perception that the organization has failed to fulfil one or more obligations relating to the PC represents the cognitive aspect of violation – a mental calculation of what the employee has
received relative to what was promised. However, there is also an emotional state that
accompanies violation as a sense of injustice (Butt, 2014). Accordingly, Rousseau (1995), Butt
(2004), Dulac et al., (2008), Aggarwal and Bhargava (2010), and Epitropaki (2012) show that
there is a relationship between POS and the PC.

In a crisis scenario such as the one in which we live, the risk of unfair treatment and the
emergence of a general perception of lack of justice may well arise. Consequently, the overall
perceptions of organizational justice may impact on the way people perceive the organizational
support afforded to them, and on their individual performance.

Furthermore, POS should contribute to overall job satisfaction by meeting socio-
emotional needs, thereby increasing performance-reward expectancies. High POS leads to
better organizational justice perceptions and creates an obligation within employees. Employees may feel a duty to be more committed and demonstrate better performance to support organizational goals.

Consequently, the following hypothesis is proposed:

**H6: POS moderates the relationship between POJ and the PC**

Rhoades and Eisenberger (2002) observe that the support employees receive is a key
construct in the justice literature. More specifically, researchers argue that the employees’
perceptions of justice may depend upon the way they are valued by the organization.

Organizational justice researchers argue that different dimensions of justice are related
to perceptions of organizational support (Jacobs & Belschak, 2014). For example, distributive
justice shows the organization’s concern for the employee’s welfare and, therefore, affects the
perception of being supported. Furthermore, all positive activities that might benefit
employees may be taken as evidence that the organization cares about them. Such activities
cover the different forms of justice and act as an antecedent to POS (Rhoades & Eisenberger,
2002).

Both the organization and the supervision it provides might be seen as responsible for
the use of fair procedures (Jacobs & Belschak, 2014).

Consequently, the following hypothesis is proposed:

**H7: POS moderates the relationship between POJ and IP**

POS theory suggests that it is what is delivered to an employee rather than what is
promised, that determines the strength of the socio-emotional bonds. This is what makes
employees less likely to notice minor contract breaches (discrepancies between what was
promised and delivered). In this case, employees are more willing to forgive a breach or
perceive it as a temporary or unimportant occurrence, rather than a fully-fledged violation.
Overall then, employees with high POS are expected to perceive their organizations as having
fulfilled their obligations to them, demonstrating the exact opposite in the case of contract
violation (Tekleab et al., 2005).

According to Rousseau (1995), the psychological contract theory implies that the POS
will influence the contract, so there is a positive reciprocal relationship between POS and the
fulfilment of the PC. Supportive relationships with the employee tend to raise the benefit of the
doubt when assessing the degree of perceived fulfilment of promises (Aselage & Eisenberger,
2003). Accordingly, POS can create a predisposition to positively evaluate the fulfillment of
obligations by the employer (Coyle-Shapiro & Kessler, 2000; Aselage & Eisenberger, 2003). According to Teklead et al., (2005), POS has a negative effect on the PCV, suggesting that POS predicts the fulfilment of the PC.

Consequently, the following hypothesis is proposed:

**H8: POS moderates the relationship between the PC and IP**

POS has been analysed not only as an antecedent (Dulac et al., 2008), but also as an outcome of the PC (Coyle-Shapiro & Kessler, 2000; Aggarwal & Bhargava, 2010). The research suggests that employees’ perceptions of the degree of compliance by the organization with the PC, also condition their perceptions of POS, that is to say a high level of perceived PC compliance leads to a high level of POS. In this way, one can see a mirror of the relations exchange between employees and organization.

According to conservation of resources theory, when individuals perceive a threat or an actual loss of resources, or fail to receive sufficient return on their investments of resource, they experience stress (Campbell et al., 2013). POS is a key factor that can be used to reduce or avoid burnout and its outcomes (Campbell et al., 2013).

Consequently, and considering H4, the following hypotheses are proposed:

**H9: POS moderates the relationship between the PC and Burnout**

*H9a*: POS moderates the relationship between the PC and EE  
*H9b*: POS moderates the relationship between the PC and DP  
*H9c*: POS moderates the relationship between the PC and RPA

There is abundant empirical evidence that POS is related to less perceived stress and burnout (Twigg & Kang, 2011; Chen et al., 2012; Campbell et al., 2013). At the same time, employees can withstand great amounts of stress if they feel their work is valued and appreciated by others (Brown, 2007), and productivity may be less affected. Therefore, the relationship between burnout and IP may be moderated by POS.

Consequently, and considering H5, the following hypotheses are proposed:

**H10: POS moderates the relationship between BUR and IP**

*H10a*: POS moderates the relationship between EE and IP  
*H10b*: POS moderates the relationship between DP and IP  
*H10c*: POS moderates the relationship between RPA and IP

1.6. Conceptual Model

The model in Figure 1 presents the set of proposed hypotheses. POS moderates the relationships between the perceptions of organizational decisions (POJ, CP) and IP, between the PC and the three dimensions of burnout, between the three dimensions of burnout and IP, and, finally between the POJ and PC.

Consequently, two groups are created to consider the impact of the POS: a group with lower perceptions of POS and a group with higher perceptions of POS. The proposed hypotheses are analysed globally but also according to each group, to test the impacts of POS on the proposed relationships (Coyle-Shapiro & Kessler, 2000; Brown, 2007; Dulac et al., 2008; Aggarwal & Bhargava, 2010; Twigg & Kang, 2011; Chen et al., 2012; Campbell et al., 2013).
2. Method

2.1 Sample and Data Collection

A questionnaire was developed to test the proposed research model and hypotheses. Between May and July 2014, 100, small and medium companies, were contacted, by e-mail and/or by telephone to secure permission to distribute the questionnaires among their employees. We adopted a sample of cross-sectional workers and no individual sector provided more than 10% of responses. In total, 800 people were contacted as a result, and of these, 429 agreed to participate. Of the 429 questionnaires collected, 407 were validated for use, the others 22 being rejected for inconsistency/incompleteness.

Of the 407 respondents, 63.3% were female and 49% between 25 and 39 years old. About the level of education, 40.5% had a university degree (bachelor/graduation). In occupation terms, 40.5% were technicians. In respect of salary, 47. 4% earned from 501 € to 1,000 Regarding their organizational tenure, 42.8% of the sample had more than 10 years. (see Table 1)

Table 1: Sample

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<tbody>
<tr>
<td>Gender</td>
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<tr>
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<td>37.7 %</td>
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<td>Female</td>
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<tr>
<td>Age</td>
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<td>[25,39]</td>
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<td>University degree (bachelor/graduation)</td>
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<td>Master’s or PhD degree</td>
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Figure 1— Conceptual model
### Table

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<tr>
<th>Occupation</th>
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<tr>
<td>Directors/Managers</td>
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<td>Service managers</td>
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<td>Technicians</td>
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<td>Operators</td>
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<td>Other occupations</td>
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<table>
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<tr>
<th>Salary</th>
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<td>&lt; 500 €</td>
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<td>[1001,1500]</td>
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<td>&gt; 1501</td>
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<th>Organizational tenure</th>
<th>Percentage</th>
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</tr>
<tr>
<td>[2;5]</td>
<td>20.6 %</td>
</tr>
<tr>
<td>[6;10]</td>
<td>19.5 %</td>
</tr>
<tr>
<td>&gt; 10</td>
<td>42.8 %</td>
</tr>
</tbody>
</table>

### 2.2 Measures

The measures were designed after reviewing the literature in the field and adapting scales that had already been validated in other investigations. Such adaption included changing vocabulary to be more appropriate, and hence, more perceptible to respondents.

**Perceived organizational justice** - This variable was measured with the Rupp & Cropanzano (2002) “Multi-Foci Justice Questionnaire”.

**Perceived organizational support** - POS was measured based on Eisenberger et al. (1968).

**The psychological contract** - The PC was measured according to the Robinson & Rousseau (1994).

**Burnout** - Burnout was measured according to the Maslach Burnout Inventory-General Survey (MBI-GS).

**Individual performance** - This construct was measured according to the Organizational Efficiency questionnaire (Mott, 1972).

A confirmatory factor analysis was used to evaluate the psychometric properties of the scales and of the measurement model, using AMOS 21. The final model shows a good fit (IFI=0.950; TLI=0.944; CFI=0.949; RMSEA= 0.048; CMIN/DF= 1.943; GFI= 0.884). The three dimensions of organizational justice showed high correlations. Consequently, they were transformed into a second order variable and the dimensions of individual performance into a single variable. All the scales presented values above 0.7 in the composite reliability (CR) and above 0.50 in the average variance extracted (AVE), as recommended by Hair et al. (2005).

Discriminant validity is evidenced by the fact that all correlations between the constructs are significantly smaller than 1 and the squared correlations calculated for each pair of constructs is always smaller than the variance extracted for correspondent constructs (Fornell & Larker, 1981; Shiu et al., 2011), thereby confirming the discriminant validity.
Table 2: Means, Standard Deviations, Square Correlations, Cronbach’s Alpha, Composite Reliability, and Average Variance Extracted.

<table>
<thead>
<tr>
<th></th>
<th>Mean</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>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.Organizational Tenure</td>
<td>10.99</td>
<td>8.87</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. PC</td>
<td>4.28</td>
<td>1.17</td>
<td>.141</td>
<td>(0.85)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>3. POJ</td>
<td>4.09</td>
<td>0.90</td>
<td>.061</td>
<td>.68***</td>
<td>(0.90)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. EE</td>
<td>3.36</td>
<td>1.27</td>
<td>.047</td>
<td>-.29***</td>
<td>-.263</td>
<td>(0.86)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. DP</td>
<td>2.42</td>
<td>1.29</td>
<td>.024</td>
<td>-.33***</td>
<td>-.364</td>
<td>0.773</td>
<td>(0.86)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. RPA</td>
<td>2.27</td>
<td>1.02</td>
<td>.067</td>
<td>-.22***</td>
<td>-.310</td>
<td>.152</td>
<td>.358</td>
<td>(0.87)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. IP</td>
<td>3.10</td>
<td>0.80</td>
<td>.118</td>
<td>.084</td>
<td>.189*</td>
<td>.007</td>
<td>-.084</td>
<td>-.34***</td>
<td>(0.94)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**p<0.01    *p<0.05    The numbers in parentheses on the diagonal represent Cronbach’s alphas

2.3 Common Method Variance

To minimize the risk of common method variance we used some procedural methods proposed by Podsakoff et al., (2003): (a) the respondents were guaranteed anonymity and confidentiality of the information collected and assured that there were no right or wrong answers; (b) there was randomness in the ordering of multiple items; (c) there was no use of scales with bipolar numerical values and verbal designations were given for the mid-points of the scales; (d) the questionnaire was divided into several sections with a brief explanation of each one, thereby reducing the risk of common method bias (Brewerton and Millward, 2001). A single factor test was also performed (Harman, 1967). A principal component analysis (unrotated solution) of all the items revealed 19 factors with values above 1. They accounted for 72% of the total variance, the first of which explained only 21% of the variance, suggesting that there were no problems with the common method variance. However, we also used a Marker Variable (Lindell and Whitney, 2001), ‘purchase behaviour’ and no correlation with any of the variables in the model was found.

3. Findings and discussion

Amos 21.0 was used to perform confirmatory factor analysis, and structural equation modelling was used to test the proposed hypotheses. The final model shows a good fit (IFI=0.95; TLI=0.944; CFI=0.949; RMSEA=0.048; CMIN/DF=1.943; GFI=0.88). Two groups were created for perception of the organizational support levels. The first group, with lower POS levels was composed of 242 respondents, while the second group, with higher POS levels, was composed of 165 respondents. A multi-group analysis was performed to identify the differences between the two groups. Table 3 presents the final results:
Table 3: Standardized Regression: Summary

<table>
<thead>
<tr>
<th>H</th>
<th>Relations</th>
<th>GLOBAL (n=407)</th>
<th>Lower POS (n=242)</th>
<th>Higher POS (n=165)</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>SRW</td>
<td>C.R.</td>
<td>P</td>
<td>SRW</td>
</tr>
<tr>
<td>H1</td>
<td>PC&lt;--POJ</td>
<td>.691</td>
<td>10.758 ***</td>
<td>H6</td>
<td>.674</td>
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<tr>
<td>H2</td>
<td>IP&lt;--POJ</td>
<td>.162</td>
<td>1.875 0.030</td>
<td>H7</td>
<td>.012</td>
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<tr>
<td>H3</td>
<td>IP&lt;--PC</td>
<td>-.083</td>
<td>-.974 .165</td>
<td>H8</td>
<td>-.132</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>H4a</td>
<td>EE&lt;--PC</td>
<td>-.324</td>
<td>-6.077 ***</td>
<td>H9a</td>
<td>-.209</td>
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<td></td>
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<tr>
<td>H4b</td>
<td>PD&lt;--PC</td>
<td>-.373</td>
<td>-7.024 ***</td>
<td>H9b</td>
<td>-.254</td>
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</tr>
<tr>
<td>H4c</td>
<td>RPA&lt;--PC</td>
<td>-.236</td>
<td>-4.309 ***</td>
<td>H9c</td>
<td>-.139</td>
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<tr>
<td>H5a</td>
<td>IP&lt;--EE</td>
<td>.066</td>
<td>1.180 .119</td>
<td>H10a</td>
<td>-.054</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>H5b</td>
<td>IP&lt;--DP</td>
<td>-.004</td>
<td>-.076 .470</td>
<td>H10b</td>
<td>-.123</td>
</tr>
<tr>
<td></td>
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<td></td>
</tr>
<tr>
<td>H5c</td>
<td>IP&lt;--RPA</td>
<td>-.333</td>
<td>-5.553 ***</td>
<td>H10c</td>
<td>-.364</td>
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The global results presented in Table 3 show the relationships between the variables of the model and the introduction of POS as a moderating variable. Multi-group Moderation Tests
were carried out, comparing the fully constrained and the unconstrained model, concluding that the two groups are different ($\chi^2=90.41$ DF=31; $P\leq0.01$).

There is a positive relationship between POJ and PC ($P\leq0.05$). According to Rousseau (1995), fair procedures should reduce adverse reactions to perceived violations. Even when there is PCV, if the procedures are fair, the employee still perceives him/herself to be an organizational member. Kickul et al. (2002) noticed that if the organization does offer a promised and competitive salary, this will have a positive influence on employees’ performance. Consequently, H1 is supported.

There is a positive relationship between POJ and IP ($P\leq0.05$), which means that when the perception of organizational justice increases, so too does individual performance, thus supporting H2. The equity equation says that the two coefficients (‘the person’ and ‘the other’) must have equal weight. When the weights are different, there is inequity (Adams, 1995) and this may affect individual performance (Greenberg, 2004), thereby increasing turnover or making it difficult for the organization to persuade employees to work overtime, among other things. According to Tyler et al., (1996), when individuals feel respected and have a sense of belonging to the group, they tend to improve their commitment and citizenship, which then has a positive impact on performance. A fair relationship brings positive consequences to the group. Consequently, the results presented support H2.

The PC does not have significant impact on IP, so H3 is not supported ($P\geq0.05$). In a crisis situation, organizations seem compelled to reduce benefits and compensations. Additionally, investments in training, and opportunities for growth and development are lower. Accordingly, the situation may be seen as a contract breach; however, such breaches may be accepted as due to the crisis and not the company. Rousseau (1995) suggested that contract breaches might occur because circumstances outside the organization’s control prevent the organization from fulfilling its obligations. It is possible, therefore, that employees appreciate such constants and do not become antagonistic to the organization.

There is a negative impact between EE and PC ($P\leq0.05$), between PD and PC ($P\leq0.05$), and between RPA and PC ($P\leq0.05$). Consequently, the results presented support H4a, H4b, and H4c. Brown (2007) argues that the fulfilment of the promises is conducive towards the formation of an enduring relationship with the organization, and that this is helpful in cushioning the effects of burnout. On the other hand, PCV can as a stressor for individuals because it disrupts norms of reciprocity and increases gaps between individuals and their environments (Maslach et al. 2001). Jamil et al. (2013) and Piccoli and Witte (2015) suggest that PCV is likely to generate burnout, destroying the beliefs of reciprocity which are critical for maintaining the employee’s well-being (Chambel & Oliveira-Cruz, 2010).

EE and PD do not impact on IP ($P\geq0.05$), thus H5a and H5b are not supported. According to Siu et al., (2014), EE has been linked with reduced job satisfaction and organizational commitment, increased absence and impaired objective performance, and PD is characterized by distance, lack of interest, hostile behaviour and negative reactions (Maslach & Leiter, 1997; Arabaci, 2010). This result might be explained by the fact that EE and PD are related to financial and economic crisis currently experienced by the country. Organizations simply meet the requirements of work legislation. However, due to the actual context in which
employees’ work, they do not respond negatively to the organization, and hence, their IP is not affected.

There is a negative relationship between RPA and IP (P≤0.05) which means that when the RPA increases, the individual performance also decreases, thus supporting H5c). According to Maslach and Jackson (1981), and Arabaci (2010), if employees display symptoms of burnout, they have reduced motivation for work and they stop making an effort altogether, hence decreasing their feelings of job competence and productivity (Kar & Suar, 2014; Simba et al., 2014; Siu et al., 2014). In the presence of higher POS, the relationship between RPA and IP decreases, and increases when there is lower POS.

Looking at the role of POS in the relationship between POJ and the PC, it is apparent that in the presence of lower POS, POJ increases the positive impact on IP. These results show that POJ is more important when employees do not perceive there to be organizational support. Basically, POJ is a predictor of employees’ attitudes and behaviours (Assmar et al., 2005). Indeed, Epitropaki (2012) has observed that employees evaluate their organizations on the degree of organizational justice they perceive to exist, and through such evaluation, they decide to be more or less involved or to be or not to be part of the organization (Bakhshi et al., 2009; Epitropaki, 2012). Consequently, H6 is supported (P≤0.05).

There is a positive relationship between POJ and IP (P≤0.05). However, in the presence of higher POS, POJ increases the positive impact on IP, thus supporting H7. According to Rhoades and Eisenberger (2002), the support employees receive is a key construct in the justice literature. The authors argue that the employees’ perceptions of justice may depend upon the way they are valued by the organization. Both the organization and the supervision it provides might be seen as responsible for the use of fair procedures (Jacobs & Belschak, 2014).

The relationship between the PC and IP is not significant (P≥0.05). With the introduction of POS the impacts remain insignificant (P≥0.05). However, in the presence of higher POS, the PC has a positive impact on IP, and in the presence of lower POS, the PC has a negative impact on IP. According to Dulac et al., (2008), POS is an antecedent of the PC. Furthermore, in POS theory, it is what is delivered to an employee rather than what is promised, that determines the strength of the socio-emotional bond. This is what makes employees less likely to notice minor contract breaches (discrepancies between what was promised and delivered). In this case, employees are more willing to forgive a breach or perceive it as a temporary or an unimportant occurrence, rather than a fully-fledged violation. Overall then, employees with high POS are expected to perceive their organizations as having fulfilled their obligations to them (Tekleab et al., 2005). However, the proposed hypothesis H8 is not supported even if the relationship between the PC and IP changes in nature in the presence of POS.

POS is a moderating variable in the relationship between the PC and EE (P≤0.05), between the PC and DP (P≤0.05), and between the PC and RPA (P≤0.05). Consequently, the hypotheses H9a), H9b) and H9c) are supported. In the presence of high POS, the PC reduces the negative impact on EE, PD and RPA. Indeed, POS has been analysed as an antecedent of the PC (Dulac et al., 2008). The research suggests that employees’ perceptions of the degree of PC compliance by the organization, is influenced by their perceptions of POS, that is to say a high level of perceived POS leads to a high level of PC compliance. In this way, one can see a mirror
of the relations exchange between employees and organizations (Coyle-Shapiro & Kessler, 2000; Dulac et al., 2008; Aggarwal & Bhargava, 2010).

In respect of the role of POS in the relationships between EE and IP, and between DP and IP, in the presence of lower POS, EE has a negative (but not significant) impact on IP while in the presence of higher POS, that impact is positive and significant. In the presence of lower POS, DP has a negative and significant impact on IP while in the presence of higher POS, that impact is positive and significant. According to the literature, POS may help in the control of stress and burnout (Twigg & Kang, 2011; Chen et al., 2012; Campbell et al., 2013). Employees can withstand great amounts of stress if they feel their work is valued and appreciated by others (Brown, 2007). Consequently, the proposed hypotheses H10(a) and H10(b) are supported as POS is shown to moderate the relationship between EE and IP, and between DP and IP.

In the presence of lower POS, RPA has a more negative impact on IP than in the presence of higher POS. According to H5(c), RPA has a negative impact on IP. However, this impact tends to decrease if perceptions of POS increase as well, therefore supporting the idea that POS moderates this relationship. There is abundant empirical evidence that POS is related to less perceived stress and burnout (Twigg & Kang, 2011; Chen et al., 2012; Campbell et al., 2013), therefore supporting H10(c) (P≤0.05). POS seems to have a significant moderating impact on the proposed relationships, a result that was also achieved by multi-group moderation tests.

4. Contributions, implications for management, limitations, and recommendations for future investigation

4.1 Contributions

This research contributes to a better understanding of the impacts of perceived organizational justice, the psychological contract, and burnout on individual performance. Considering the impacts of perceived organizational justice, burnout, and the psychological contract on individual performance, our study suggests that when organizations respect and support their employees they do produce practical outcomes, fostering human resources management effectiveness. The combined effects of these variables associated with a context influenced by the organizational support is original and relevant, as in the past, these important variables, whilst all studied separately, have never been considered in combination. Therefore, the originality of this study is based on the integration of these concepts and relationships within a single study, providing a model that depicts a critical chain of effects, using cross-sectional data.

The investigation also contributes to a better appreciation of the possible results of HRM actions upon employee attitudes and behaviours. Additionally, to assure improved comprehension of these relationships and the interactions resulting from the HRM policies, we introduced the role of POS as a moderating variable. Consequently, the analyses were performed within a specific context defined by employees’ POS levels. This investigation tests the proposed relationships and the impacts of specific HRM measures according to the intensity of POS across employees. The results show how POS can change the intensity and direction of the impacts of the HRM actions. These are relevant results both for academia and practitioners.
4.2 Implications for Management

The overall results of this study are interesting for managers as they provide a more comprehensive understanding of the organizational aspects affecting employee attitudes and behaviours. They allow managers to appreciate how Burnout, the PC, and POJ affect employees’ attitudes and behaviours, and how POS can positively influence the exchange relations between employees and organizations.

The damaging effects of burnout create a specific context where the overall HRM policies are less effective or may even produce the opposite impacts. Preventing the emergence of burnout will give effectiveness and predictability to HRM practices. POS has a significant moderating impact on the proposed relationships and can reduce the negative aspects and reinforce the positive aspects.

With this knowledge, organizations should invest in leaders who believe in the transparency of processes, the need for good interpersonal relationships, good communication, and the importance of attending to the socio-emotional needs of employees. If this approach is followed, employees will respond to organizational imperatives positively, thereby improving their individual performance.

4.3 Limitations and Recommendations for Future Research

This investigation faces some methodological limitations, giving rise to new opportunities for future research. Future investigations may use data collected in ways other than self-report evaluations, or use dyads, in order to gather information from different sources.

Furthermore, when causal relationships are to be explored, longitudinal data is useful in helping to understand the causality issues. Naturally, this gives an opportunity for additional research in this field. Other variables like affective commitment, may present significant effects as a moderator of these relationships. The relationship between POJ and Burnout must also be studied. At the same time, it would be interesting to replicate the survey in an economic and financial growth scenario. We believe this study will encourage the inclusion of such questions in future research, and help in assuring a better integration of these concepts in the human resources management literature.

References


