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## RESEARCH NOTES

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### TOWARD AN ORGANIZATIONAL BEHAVIOR OF CONTRACT LABORERS: THEIR PSYCHOLOGICAL INVOLVEMENT AND EFFECTS ON EMPLOYEE CO-WORKERS

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**This study investigated differences in the psychological involvement and task assignments of labor-contractor and employee engineers and the effects of the contractors on the attitudes of their employee co-workers. Findings partly supported the hypothesis that supervisors shift interdependent tasks to employees when contractors are present in their work groups. However, employees were not found to have greater quasi-moral involvement than contractors. In addition, the presence of contractor co-workers was associated with employee reports of lower organizational trustworthiness, as expected.**

For several important reasons, a better understanding is needed of the organizational psychology of contractors and how contracted labor affects employee co-workers. First, contractors are a growing presence in many organizations (Osterman, 1988; Pfeffer & Baron, 1988), taking many forms: agency nurses work in hospitals, job shop engineers bring special technical expertise to design teams, consultants provide a variety of services, and clerical temps are ubiquitous in many organizations. Businesses retain such workers for a fixed project or time period (although many contracts are renewed) and pay them by the job or hourly, providing no fringe benefits because the workers are not employees. Contract workers are known by various labels, but here they will be called “labor contractors.”

Second, theorists of comparative institutions—here defined as organizational theorists and institutional economists concerned with the question of employment relations as an alternative to labor contracting—have developed theories of the effects of different kinds of contracts on workers’ ex-

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pectations and psychological attachments, but these ideas have not been tested empirically. For example, Williamson (1975: 38) suggested that a factor in the decision to hire employees rather than retain contractors is that employees tend to have greater quasi-moral involvement, or greater commitment and a stronger sense of moral obligation to the organization, than contractors, whose involvement tends to be more calculated. Neither Williamson nor subsequent theorists have defined quasi-moral involvement precisely, nor have they tested Williamson's assumption (e.g., Ouchi, 1980; Williamson, 1985, 1991). They reflect, however, a widespread presumption that the organizational psychology of employees and contractors should be different. Here, I developed an operational definition of quasi-moral involvement and tested the assumption about such involvement.

Finally, if contractors are becoming more common in workplaces, scholars and practitioners need to know more about their effects on their employee co-workers. Therefore, I developed and tested a hypothesis about the effects of the presence of contractors on the employees working alongside them.

## HYPOTHESES

### Markets Versus Hierarchies

Theorists of comparative institutions have long wondered why employment relations exist as an alternative to labor contracting (Coase, 1937), referred to as the markets versus hierarchies debate. A situation in which contract laborers work in an organization alongside employees and under the same forms of supervision is an interesting "hybrid model" (Williamson, 1991) that allows two ideas drawn from these research streams to be tested: whether employee or contractor status itself affects the psychological involvement of workers, and whether certain features of task assignments are associated with a given status.

**Quasi-moral involvement.** Although theorists of comparative institutions have not focused on worker psychology, many have written that the employment relationship leads to greater quasi-moral involvement than does the contractor relationship. Drawing on Williamson's (1975) work, I defined quasi-moral involvement as consisting of two concepts that have received substantial theoretical and empirical attention in research on organizational behavior: extrarole behavior and organizational commitment. Workers with strong quasi-moral involvement are likely to engage in more extrarole behaviors, or citizenship acts (Organ, 1988). Extrarole behaviors are worker actions not mandated by an organization but intended to assist it. Examples include helping co-workers learn new procedures, taking the initiative in problem solving, and pitching in to meet deadlines (Katz & Kahn 1978; Pearce & Gregersen, 1991). If an employment contract does, indeed, lead to greater quasi-moral involvement, there should be differences between contractors and employees in the extent to which they engage in such behaviors:

*Hypothesis 1: Employees will engage in more cooperative and extrarole acts than will contractors.*

Quasi-moral involvement also implies a psychological commitment to an organization. There are many reasons why employees would be expected to have greater organizational commitment than contract laborers. Edwards (1979), Abegglen and Stalk (1985), and Osterman (1988) have suggested that a long-term employment relationship will lead workers to identify with their organization. When both parties depend on the long-term success of the organization, commonality of interests is fostered. Although these ideas have intuitive appeal, researchers who have studied employee organizational commitment know that employees' organizational attachments can vary widely (e.g., Mowday, Steers, & Porter, 1982). Pfeffer and Baron also questioned whether status as an employee or contractor per se would influence organizational commitment. More proximal features of a worker's situation, such as characteristics of the job itself (e.g., Mottaz, 1988), treatment by a supervisor (e.g., Bateman & Strasser, 1984), and recruitment and socialization practices (Caldwell, Chatman, & O'Reilly, 1990), have been shown to affect employee organizational commitment. However, tenure has shown a strong association with organizational commitment in numerous studies, supporting the intuitive assumption that employees' expectation of lengthy tenure will lead them to have greater organizational commitment than contractors.

*Hypothesis 2: Employees will have greater commitment to a work organization than will contractors.*

**Task assignments.** Comparative institutions theorists have devoted substantial attention to positing the kind of work or task assignments most appropriate to employment and to labor contracting. They have suggested that employment relations are more efficient than labor contracting when tasks require knowledge that is particular to an organization, when monitoring worker performance is difficult, and when work is repetitive (Ouchi, 1980; Williamson, 1975, 1985). Nevertheless, labor contractors have increasingly become substitutes for employees. Although the growth of information technology may have changed the nature of some workers' tasks in ways that make labor contractors more appropriate (Eisenhardt, 1989), sometimes businesses bring labor contractors into employment settings for nontask reasons. Pfeffer and Baron (1988) suggested that executives may attempt to reduce labor costs by limiting a company's number of employees, but they may leave managers free to hire contractors to complete work. They also noted that in many jurisdictions, labor legislation protects employees more comprehensively than it does contractors, so organizations may seek flexibility and lower costs by substituting labor contractors for employees. Further, Osterman (1988) argued that competitive pressures increasingly force organizations to adopt a "core-periphery model" in which part of the labor force is made peripheral by the use of temporaries.

These scholars present convincing evidence that legal, institutional, and external competitive pressures exist that favor increased use of contract

labor, whether or not the tasks involved are most efficiently performed by contract laborers. If these nontask pressures are powerful enough and if the comparative institutions theorists are correct in their identification of the task characteristics suitable for employment, we might expect organizations to attempt to reallocate task assignments to make some tasks more suitable for contractors. For example, managers might assign to contractors work that needs little or no organization-specific knowledge, has easily monitored output, or is nonrecurrent. In some circumstances, employee co-workers would find their job responsibilities shifted to accommodate the contractors. As an illustration, a clerical temp might work at the desk of a low-ranking employee secretary who is filling the post of the chief executive officer's secretary, who is on vacation.

Thus, if the comparative institutions theorists are correct, having labor contractors brought into an organization to work alongside employee co-workers for nontask reasons should lead supervisors to reassign work to their employees in order to craft jobs better suited to the more limited involvement of labor contractors. That is, the presence of labor contractors in employment settings could have significant implications for the task assignments of the remaining employees.

One feature of this possible task reassignment might be a shifting to employees of work that requires high interdependence, so that more independent jobs can be assigned to contractors. It is more difficult to monitor the individual contribution and output of workers on interdependent tasks, and such tasks often involve greater responsibility and organization-specific knowledge. Such an arrangement would make it easier for supervisors to monitor contractor performance and would decrease the organization's dependence on limited-tenure workers. Therefore, we might expect that employees who work alongside contractors would be assigned a larger proportion of the interdependent work than would employees who work only with other employees.

*Hypothesis 3: Employees in work units with contractor co-workers will have greater task interdependence than will their peers working in employee-only work units.*

### **Trust in the Organization**

The presence of contractor co-workers can be expected to affect employees. Here, one such effect is proposed and tested: reduction of employee trust in an organization. There is evidence that employees tend to select co-workers, rather than outsiders, as referents for equity comparisons (e.g., Oldham, Kulik, Stepina, & Ambrose, 1986). Therefore, it is possible that employees might choose contractors who are comparable to themselves as salient referents, and differences in the employees' and contractors' compensation contracts might lead employees to question the fairness of their own organization.

First, many contractors receive greater cash (current) compensation, but employees receive greater fringe benefits and job security. Fair compensa-

tion for employees depends on an organization's future willingness and ability to deliver on its tacit obligations. The presence of contractor co-workers receiving more cash underscores for employees that they have chosen a form of compensation that makes them more dependent. Further, the presence of contractors reminds employees that they are in a market, rather than a familial, relationship with the organization, and market actors are expected to exploit their opportunities, not take care of one another. Thus, contractors remind employees that their receiving full compensation depends on the organization's ability and willingness to refrain from aggressively exploiting their dependence. Finally, the presence of contractors may also suggest that the organization is willing to take advantage of workers whenever possible. Even if employees prefer their own position to working as contractors, they may come to empathize with their contractor co-workers and perceive that the organization is exploiting them by not offering them health, unemployment, and retirement benefits. This perception may lead employees to question the organization's fairness to the contractors today—and possibly to themselves tomorrow.

In summary, employee and contractor co-workers are paid differently for similar work, and this difference could signal many different things to employees. Whether employees perceive themselves or the contractors as having the better deal, it is expected that they will see the organization as less trustworthy than it would appear in the absence of contractors.

*Hypothesis 4: Employees with contractor co-workers will report less trust in their organizations than will employees in employee-only work units.*

## METHODS

### Setting and Respondents

The setting for the research was a large aerospace company that designed and manufactured sophisticated equipment for air and space craft. Its primary customers were major commercial aircraft manufacturers, who accounted for about 40 percent of sales at the time of data collection, and federal contractors and subcontractors, about 60 percent of sales. The aerospace industry is highly cyclical. The company has always used contractors to absorb industry fluctuations or to work in highly specialized areas. Contractors were perceived as normal in this setting; they represented an alternative career path that all employees reported considering and some employees had tried. Contractors in aerospace engineering receive higher cash compensation than employees; in this setting, hourly means were \$27.16 for contractors versus \$19.26 for employees ( $p < .01$ ), and employees were well aware of this difference. However, the contractors had less job security and often had to move to various geographical locations to remain working throughout the year. Some of the company's work units had several contractors working alongside employees, and other work units had only employees. Finally, in this setting, the contractors were very visible, because all

individuals had to wear identifying badges, and the contractors' badges were a different color than the employees' badges.

Data were collected from July to September 1988 in three company divisions located in southern California. I asked all engineers and engineering technicians in the three divisions to complete questionnaires in group settings. The questionnaires had identifying codes to allow me and an assistant to match responses with data from the personnel files (contractor or employee status, age, tenure, pay level). From 284 potential respondents, 223 usable surveys were returned, representing an 84 percent response rate for employees and a 50 percent response rate for contractors; nonrespondents did not differ from respondents on available occupational or demographic data. Thirty-three supervisors (one was unavailable) were asked to complete surveys asking for their evaluations of employees and contractors on five performance dimensions. Usable supervisor questionnaires were returned from 25 individuals (a 76 percent response rate), producing performance ratings that could be assigned to 126 of the responding employees and contractors.

### Measures

**Type of worker variables.** From company records, engineers and engineering technicians were categorized as either employees (coded 0) or contractors (coded 1). The usable data set contained 199 employees and 24 contractors. In this group, 45 percent of the contractors were from employment agencies, and 55 percent were self-referrals. They had an average tenure of 17 months in the organization. Employees were further categorized as to whether or not they worked in a work unit with contractors, which was determined as follows: all contractors were assigned to work units headed by supervisors. An employee whose supervisor had at least one contractor reporting to him or her was categorized as having contractor co-workers (coded 1); 14 work units included contractors. Employees of a supervisor to whom only employees reported were categorized as belonging to employee-only work units (20 units). This measure best represents the extent to which employees had comparable contractor co-workers in this functional organization in which work-unit members were grouped together with their supervisors. Of the 199 employees, 34 could not be identified with a work unit, leaving 50 employees categorized as working alongside comparable contractors and 115 employees categorized as working in employee-only work units.

**Task interdependence.** I used three scales measuring task interdependence taken from Pearce, Sommer, Morris, and Frideger (1992), who completed a comprehensive psychometric analysis in a longitudinal sample of four organizations. The first scale is called task dependence on others; it had six items, for example, "My own performance is dependent on receiving accurate information from others." The second is others' dependence, a three-item scale (e.g., "In my job I am frequently called on to provide information and advice"). The third is reciprocal interdependence, a four-item

scale (e.g., "My job involves working closely with others in producing a team effort"). In these data, the items loaded on the same three scales in a rotated varimax procedure as they did in the original Pearce and colleagues' work. Table 1 reports means, standard deviations, interitem reliabilities, and correlations.

**Supervisors' evaluations.** Supervisors were asked to rate their subordinate employees and contractors on cooperativeness: "Please rate the following individuals on the extent to which they are cooperative: that is, the extent to which they are responsive to you and to coworkers' needs. Please do not rank them in comparison to one another, but rate them individually on their willingness to be team players." This supervisor assessment complemented the self-reports of extrarole behavior described below and allowed one of the hypotheses to be tested with measures from two different sources.

**Self-report attitudes.** Organizational commitment was assessed with the short form of Mowday, Steers, and Porter's (1979) Organizational Commitment Questionnaire. Pearce and colleagues (1992) reported on scale development and on reliability and validity statistics for measures of extrarole behavior, a three-item scale (e.g., "I take advantage of opportunities to do more than is required"), and organizational trustworthiness, an eight-item scale (e.g., "In general, this organization's personnel policies seem to reflect a distrust of employees," reverse-scored).

### Analyses

Pearce and colleagues (1992) sought to validate the scales used here by examining both discriminant and construct validity. Discriminant validity was established through a confirmatory factor analysis of the scales, with all the goodness-of-fit indexes indicating strong support. Construct validity was assessed by examining the patterns of correlations predicted for four organizations with different corporate cultures. In addition, another study using the organizational trustworthiness scale found that, as predicted, employees in three state-owned work organizations in Hungary in 1990 reported lower organizational trustworthiness than employees in privately owned Hungarian and American companies (Pearce, Branyiczki, & Bakacsi, in press).

Although both supervisor-rated cooperativeness and self-reported extrarole behavior were expected to reflect facets of citizenship behavior, there was no relationship between ratings on the two variables in this study ( $r = .07$ , n.s.). However, these measures were intended to tap two facets of a complex concept; Organ and Konovsky (1989) and O'Reilly and Chatman (1986), among others, have reported different facets of citizenship behavior.

Because the assignment of contractors to work units could not be experimentally controlled, there was always the possibility that some non-tested feature of the different environments in which employees with and without contractor co-workers worked might have accounted for possible differences. To provide some additional controls, I held constant demographic variables that could be expected to be associated with the dependent variables in light of previous research. These included respondent age, or-

TABLE 1  
Means, Standard Deviations, and Correlations<sup>a</sup>

Variables	Means	s.d.	1	2	3	4	5	6	7	8	9
1. Type of worker											
2. Employee with contractor co-worker											
3. Dependence on others	3.61	.60	-.10	.25**	(.75)						
4. Others' dependence	3.83	.68	-.06	.16*	.22**	(.63)					
5. Reciprocal interdependence	3.72	.62	-.03	.10	.34**	.39**	(.62)				
6. Supervisor-rated cooperativeness	4.14	.71	-.10	-.14	.07	.15*	.15*				
7. Extrarole behavior	3.19	.73	.22**	.04	-.08	.32**	.22**	.07	(.63)		
8. Organizational commitment	3.37	.67	.05	-.06	.05	.23	.30	.14	.36**	(.90)	
9. Organizational trustworthiness	3.21	.65	.08	-.21**	.03	-.00	.09	.28**	.06	.61**	(.65)

<sup>a</sup> Statistics in parentheses are alpha coefficients.

\*  $p < .05$

\*\*  $p < .01$

ganizational tenure, and pay level. Tests of the hypotheses were conducted by a hierarchical regression procedure in which the demographic variables were entered in the first step and the hypothesized variable was entered in the second step.

## RESULTS

### Markets Versus Hierarchies

**Quasi-moral involvement.** Hypothesis 1 predicts that employees will engage in more citizenship behavior, as reflected in extrarole and cooperative acts, than will contractors. The results reported in Table 2 do not support this hypothesis. Interestingly, contractors reported themselves as engaging in significantly more extrarole behaviors than did employees. Hypothesis 2 states that employees will have greater organizational commitment than would contractors. There was no significant difference in the organizational commitment of employees and contractors, as seen by the engineers and technicians themselves. Thus, these data provide no evidence that employee quasi-moral involvement is greater than labor contractors' involvement, according to the workers themselves and their supervisors.

**Task assignments.** Hypothesis 3 predicts that employees in work units with contractor co-workers will report greater task interdependence than will their peers working in employee-only work units. As can be seen in Table 3, results supported the hypothesis for one of the three measures of task interdependence and marginally support it for a second. Employees in work units with contractor co-workers reported significantly more dependence on others and marginally more dependence of others on them than employees working in employee-only work units. Reciprocal interdependence was not significantly different for employees in the two types of work units. Overall, the data provide weak support for the expectation that an organization will shift interdependent tasks to the employee co-workers of contractors to reduce its dependence on the contractors.

### Trust in the Organization

Hypothesis 4 predicts that employees with comparable contractor co-workers will report lower trust in their organization than will employees in employee-only work units. Findings supported this hypothesis (see Table 3). This result is consistent with the argument that the presence of contractors will lead their employee co-workers to question the fairness of their organization.

## DISCUSSION

Consistent with theories of comparative institutions, there was evidence that the company accommodated contractors by shifting interdependent tasks to their employee co-workers. However, there was no support for the assumption, grounded in literature on comparative institutions, that employees have a greater quasi-moral involvement with work organizations

**TABLE 2**  
**Results of Hierarchical Regression Analyses for Quasi-Moral Involvement**

Variables	Supervisor-rated Cooperativeness				Self-reported Extrarole Behavior				Organizational Commitment			
	Equation 1		Equation 2		Equation 1		Equation 2		Equation 1		Equation 2	
	b	s.e.	b	s.e.	b	s.e.	b	s.e.	b	s.e.	b	s.e.
Constant	4.11**	.27	4.01**	.28	2.81**	.24	2.97**	.24	2.96**	.22	2.96**	.23
Age	-.00	.01	-.00	.01	.01	.01	.01	.01	.01	.01	.01	.01
Tenure	.00	.00	.00	.00	-.00	.00	-.00	.00	-.00	.00	-.00	.00
Pay level	.01	.01	.02	.02	.00	.01	-.01	.01	.01	.01	.01	.01
Type of worker			-.33	.26			.52*	.23			-.02	.22
R <sup>2</sup>	.01		.04				.07		.03		.03	
F	.22		1.86		1.86		2.75*		1.29		.96	
df	3,111		4,110		3,146		4,145		3,146		4,145	
ΔR <sup>2</sup>			.01				.03				.00	
ΔF			1.58				5.26*				.01	

\* p < .05  
 \*\* p < .01

**TABLE 3**  
**Results of Hierarchical Regression Analyses for the Presence of Contractors**

Variables	Dependence on Others				Others' Dependence				Reciprocal Interdependence				Organizational Trustworthiness			
	Equation 1		Equation 2		Equation 1		Equation 2		Equation 1		Equation 2		Equation 1		Equation 2	
	b	s.e.	b	s.e.	b	s.e.	b	s.e.	b	s.e.	b	s.e.	b	s.e.	b	s.e.
Constant	3.64**	.20	3.53**	.20	3.37**	.23	3.30**	.23	3.69**	.21	3.65**	.21	2.68**	.21	2.77**	.21
Age	-.01*	.01	-.01*	.00	.00	.01	.00	.00	.01	.01	.01	.01	.01**	.01	.01**	.01
Tenure	.00	.00	.00	.00	-.00†	.00	.00	.00	.00	.00	.00	.00	.00	.00	-.00*	-.00
Pay level	.02	.01	.02†	.01	.02	.01	.02	.01	-.01	.01	-.01	.01	.01	.01	.00	.01
Employee with contractor			.34**	.11			.23†	.12			.12	.11			-.29**	.17
co-worker			.10	.05			.08	.02			.02	.03			.10	.14
R <sup>2</sup>	.04		3.93**	2.45†			2.75*	.83			.83	.91			4.77**	5.36**
F	1.75		4,136	3,137			4,136	3,137			4,136	3,137			4,136	4,136
df	3,137		.07				.02				.01				.04	
ΔR <sup>2</sup>			10.13**				3.50†				1.17				6.56**	
ΔF																

† p < .10  
 \* p < .05  
 \*\* p < .01

than their contractor co-workers. In addition, employees with contractor co-workers reported less trust in their organization than did those in employee-only work units, as hypothesized.

Regarding the shifting of interdependent tasks to employees in mixed employee-contractor work units, supervisors said in interviews that they tried, in fact, to give simpler jobs to contractors when they could. One told the story of how he had been "burned" by contractors in the past. His unit completed original design work that was passed on to the unit that designed the manufacturing processes, and often problems would develop later, in the design or manufacturing stage. The engineers who had worked on the original drawings would be sent to work on the task forces set up to solve the problems. However, the contractors were usually gone by the time these problems surfaced. The first time this happened, this supervisor took the problem to his own supervisor and asked what he should do. His supervisor replied that it was "his problem" and that he should know the drawings well enough to solve it himself. This supervisor now knows that anything on which a contractor works may come back to him personally, so he needs to supervise contractors' work more closely than employees'; thus, he tries to give them assignments that make his monitoring easier (Eisenhardt, 1989). Although the additional burdens contractors placed on supervisors have not been discussed in the relevant literature, these burdens are consistent with existing theories of comparative institutions, since it is the immediate supervisors who solve the problems contractors may create. If Pfeffer and Baron (1988) and Osterman (1988) are correct in their judgments that contractors are becoming increasingly prevalent within organizations, research on the neglected area of contractor supervision would be an important area for scholarly attention.

Results in this study were not consistent with the comparative institutions theorists' assumptions that employees should report greater quasi-moral involvement than contractors. There was no evidence that employees reported greater extrarole behavior or organizational commitment than contractors, nor did their supervisors see employees as more cooperative than contractors. Although it is possible that the nonsignificance of the present findings is the result of the small number of contractors studied, it suggests an argument countering the previous assumptions about workplace psychology.

There probably has been too great a distinction drawn between the organization and marketplace as settings for emotional involvement. There is ample evidence that markets are settings for emotional involvement, for example, traders develop personal attachments to other traders that lead them to be slow in responding to price changes (e.g., Baker, 1984). Further, research on organizational commitment and citizenship behavior suggests that organizational membership alone does not lead to involvement, but that proximal causes are important. In settings such as the one studied here, contractors joined a team and faced social pressures to conform to collegial normative expectations, whether or not such actions were explicitly part of

their contracts. In fact, in our interviews, the contractors reported experiencing a conflict between immediate social pressures to be good team members and their contracts, which called for limited involvement. Since contractors did not want to face social ostracism at work, they tended to adopt the behaviors of good team members. Thus, their own self-reports that they engaged in more extrarole behaviors than employees (Table 2) seem to reflect normative pressures in their work units. Alternatively, the higher reports of contractor extrarole behavior may stem from the open-ended quality of the contracts of employees, who may assume that many behaviors are job requirements rather than extrarole actions (Stinchcomb, 1986). Theorists of comparative institutions have focused on the control of opportunism (self-seeking with guile) (Eisenhardt, 1989; Perrow, 1986; Williamson, 1975, 1985). However, the present results suggest that the opportunism of contractors and employees may be muted more by proximal interpersonal processes than by the nature of compensation contracts. Researchers know very little about how workplace normative expectations become established (Nadler, Hackman, & Lawler, 1979), yet those interested in how opportunism in the workplace is managed may find this a fruitful line of inquiry.

There was support for the hypothesis that the presence of contractors was associated with less employee trust in the organization. This is a potentially important finding. Previous research indicates that distrust and perceptions of unfairness lead employees to reduce their levels of performance (Organ, 1988; Walster, Berscheid, & Walster, 1976) and to be more likely to leave the organization (Porter & Steers, 1973). Gambetta (1988) found that distrust led to reduced cooperation, and Rotter (1980) found that those who distrusted were more likely to lie, cheat, and steal. If future research supports this preliminary finding, it would indeed be a reason for concern. Since the use of contract labor in organizations appears to be increasing, these results suggest that their effects on organizational climate and working relationships need more research attention.

Four major limitations to this research merit discussion. First, this study reported cross-sectional tests of causal hypotheses. Therefore, an important alternative hypothesis cannot be eliminated: some influence other than the one hypothesized may have actually caused the results. There did not appear to be meaningful differences in the tasks of the different work units; however, this alternative hypothesis cannot be ruled out empirically. Second, it is possible that the differences between employees with and those without contractor co-workers did not result from differences in the hypothesized social comparison processes but from some other signal associated with the use of contractors. Third, the respondents used in this research may have influenced the results. The roles of contractors in organizations, and therefore the psychological effects of their presence, vary a great deal; I chose the present setting because contractors had been a normal and noticeable part of the workplace for decades, and working as a contractor was a viable alternative career for the organization's employees. Thus, it would be imprudent to assume that these results generalize to settings in which contrac-

tors play a very different role. A fourth limitation is that the number of contractors responding was very small, leading to tests of low power, and therefore nonsignificant results should not be overinterpreted. In other words, the results reported here are limited and suggestive rather than definitive.

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