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What helps managers being fair? Predicting managers' self-reported justice enactment during pay setting using the ability-motivation-opportunity framework

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ABSTRACT

Building on the Ability-Motivation-Opportunity framework, we investigate managers' ability, motivation, and opportunity as predictors of managers' self-reported justice enactment during pay setting. Data from 168 managers from a large industrial company in Sweden were analyzed with hierarchical multiple regression analyses to predict the four dimensions of enacted justice (distributive, procedural, informational, interpersonal). Ability indicators contributed to all justice enactment dimensions, with self-efficacy in one's role as pay-setting manager being positively related to all justice enactment dimensions. Motivation indicators contributed to three justice enactment dimensions (not informational), with managers' outcome expectations of pay setting being positively related to distributive justice enactment. Opportunity indicators contributed to three justice enactment dimensions (not interpersonal), where social support in the pay-setting process predicted these justice enactment dimensions. Demographics and personality variables only explained additional variance in interpersonal justice enactment. The paper sheds light on the managers' side of justice in pay setting, and highlights the relevance of resources to equip managers with ability, motivation, and opportunities in order to perceive that they can be fair during pay setting.

KEYWORDS

justice enactment;
organizational justice;
manager; pay setting; AMO
framework; Sweden

Introduction

The Human Resource Management (HRM) literature has focused on the role of managers for more than a decade (Gilbert et al., 2011b; Purcell & Hutchinson, 2007; Steffensen et al., 2019). In contrast, justice scholars

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have only recently started to thoroughly take the manager as the enactor of justice into consideration (Graso et al., 2020), although there is strong evidence for the association between employees' justice perceptions and positive work and health consequences, such as increased commitment, performance, and better health (Colquitt et al., 2013; Robbins et al., 2012; Rupp et al., 2014). One key HRM practice is performance and compensation management (Lepak et al., 2006), and it has been shown that the acceptance and effectiveness of pay-setting systems is heightened when employees feel fairly treated (Kim, 2016; van Dijke et al., 2009). Managers are the central actors connecting the organization with its HRM practices to the individual employees. When employees perceive that their manager allocates resources according to contributions, judges performance in a consistent and ethical manner, communicates in a respectful way, and keeps subordinates well-informed, employees are more likely to feel fairly treated during pay setting (Andersson-Stråberg et al., 2007). In contrast, if managers fail to follow justice rules, there is a risk that employees feel unfairly treated, and, in turn, experience anger and frustration, and show poorer performance (Colquitt et al., 2013; Folger & Skarlicki, 2001).

While the role of the employee (i.e. the receiver of fairness) has been studied extensively, the crucial role of managers' enactment of justice rules (i.e. as the giver or actor) has been considered only recently. Scott et al. (2009) defined justice enactment as "managerial actions that act in accordance with the [justice rule] standards" (p. 758). Likewise, the items that Scott et al. (2014) suggested for measuring justice enactment ask managers to self-report whether they adhere to or violate justice rules. Justice enactment is therefore, by definition, about the perception of the manager. It is important to better understand the managers' side of justice to get a complete picture of how fair pay setting can be achieved. It has been noted in other organizational literatures, such as discrimination, aggression, and sexual harassment, that the consideration of the 'actor' has proven helpful to prevent negative acts from happening (Scott et al., 2009).

Justice enactment is relevant to organizations for several reasons. The individual manager is one of the major sources of information for employees to determine whether they feel fairly treated at work (Karam et al., 2019). Empirically, employees' work attitudes and behaviors tend to be more affected by justice perceptions in relation to their supervisor than in relation to the wider organization (Rupp et al., 2014). The justice literature assumes that managers' justice enactment contributes to employees' justice perceptions, and there are several empirical studies providing some evidence for this assumption (Huang et al., 2017; Koopman et al., 2019; Zapata et al., 2013). Moreover, individuals faced

with unfairness from superiors are likely to mimic the treatment they receive themselves (Wo et al., 2019; Zdaniuk & Bobocel, 2013). While justice enactment seems to have many advantages to employees and, therefore, to the wider organization, there is also some evidence that it is resource depleting for the managers themselves (Johnson et al., 2014). While these studies show the importance of justice enactment in general, very little is known about managers' justice enactment in relation to pay setting.

As the interest in justice enactment is relatively new, limited research has been devoted to the *prerequisites* for managers' enacted justice (Graso et al., 2020). Recent research suggests that managers' personal characteristics are not sufficient for enactment of justice, but, rather, that managers also need to have the opportunity to act fairly, such as having access to adequate resources and organizational prerequisites (Sherf et al., 2019; Whiteside & Barclay, 2018). Based on the Ability-Motivation-Opportunity (AMO) framework (Appelbaum et al., 2000; Boxall & Purcell, 2011), we argue that managers' self-reported justice enactment is impacted by managers' ability, motivation, *and* opportunities during pay setting above and beyond the impact of demographic and personality variables.

It has been suggested that one of the most challenging aspects of HRM practices is to implement fair pay setting (Maaniemi, 2013). When pay setting is based on performance, justice enactment is particularly relevant due to the complexity of the task (Maaniemi, 2013) and because pay setting that is perceived as fair can inspire employees' motivation, commitment, and performance (cf. Andersson-Stråberg et al., 2007). While pay setting can be done in many different ways, we define pay setting as a continuous process, in which the pay-setting manager sets goals together with each subordinate, determines goal achievement through performance appraisals, provides feedback, and communicates a potential salary increase. If subordinates are to accept pay-setting results and understand the process, managers need to be transparent, avoid bias, create a mutual understanding with subordinates, and be consistent across subordinates (Andersson-Stråberg et al., 2007; Han et al., 2015; Lawler, 2000).

The overall aim of the study is to investigate predictors of managers' self-reported adherence to justice rules during pay setting with subordinates. With this, we make three theoretical contributions to the literature on organizational justice and HRM and one practical contribution. First, this study focuses on the manager as the enactor and implementer of a specific, and highly relevant HRM practice, pay setting. In both the justice and the HRM literature, there is a growing recognition that line

managers play an important role (Graso et al., 2020; Purcell & Hutchinson, 2007). By focusing on the prerequisites for managers to fulfill their role as pay-setting managers, the study contributes to the understanding of factors that may lead managers to perceive they act fairly. Second, this study contributes to the justice enactment literature by introducing a new perspective – that managers need to be able, motivated, and have opportunities to adhere to justice rules. In this, we study a novel set of predictors for justice enactment based on the AMO framework (Appelbaum et al., 2000; Boxall & Purcell, 2011), which is rooted in the HRM literature. Third, we investigate the impact of predictors reflecting managers' ability, motivation, and opportunity on justice enactment after controlling for individual characteristics (demographics and personality), which have been identified as predictors of justice enactment in previous studies. This study also has an important practical implication, that is, to contribute to how organizations can support managers in their challenging role as pay-setting managers.

Antecedents of self-reported justice enactment

Employees' organizational justice perceptions are often differentiated into four dimensions: distributive justice (rules about outcome allocations), procedural justice (rules about the process leading to outcome allocations), informational justice (rules about the quality of explanations), and interpersonal justice (rules about treatment of others) (Colquitt, 2001). It has been suggested that justice enactment follows the same four-dimensional structure (Scott et al., 2009). Justice enactment is an area of research trying to understand the 'giving' side of organizational justice. Empirical studies on justice enactment have used self-assessments of managers, other-assessments through subordinates' ratings of justice perceptions, or measured adherence to rules of justice in a more objective fashion in experimental designs (e.g. Brebels et al., 2011; Hoogervorst et al., 2013; Zapata et al., 2013). In general, research has found substantial correlations between supervisors' self-reported justice enactment and employees' justice perceptions (Huang et al., 2017; Zapata et al., 2013), although some studies have also found manager reports of enacted justice to be unrelated to their subordinates' perceptions of justice (Malmrud et al., 2020).

The existing studies on antecedents of self-reported justice enactment can be differentiated into two areas: those pertaining to trait-like aspects of the supervisor and those referring to how the supervisor views the subordinate. Regarding the first area, managers have been found to report higher self-reported justice enactment when they express higher

moral identity (Brebels et al., 2011), view themselves as ethical leaders (Long, 2016), and have a good capacity for perspective-taking (Whiteside & Barclay, 2018). As concerns the second area, research has found managers to report higher adherence to justice rules when they rate their subordinates as having a higher need for belonging (Cornelis et al., 2013), like and trust their subordinates, and have high-quality relationships with them (Huang et al., 2017; Koopman et al., 2015; Zhao et al., 2015).

From an organizational standpoint, these predictors of justice enactment are less than ideal; the implementation of fair HR processes should be possible for all managers, independent of the need expressions of subordinates or the quality of the relationship between manager and subordinate. In line with this, Graso et al. (2020) emphasized the relevance of studying managers' justice enactment by writing: "we have been holding these stakeholders accountable for their actions and making recommendations for enacting justice without fully understanding the nuances of their motivation, ability, and discretion to act fairly" (p. 2). In the following, we therefore describe the relevance of ability, motivation, and opportunity for justice enactment, by focusing on managers' self-reported fairness in the pay-setting process.

The AMO framework of justice enactment

The AMO framework (Appelbaum et al., 2000; Boxall & Purcell, 2011) has been conceptualized in the area of HRM. Originally developed to relate HRM practices to employees' performance, the AMO framework has also been applied to predict when managers succeed in implementing specific HRM practices (Bos-Nehles et al., 2013; Leisink & Knies, 2011; Van Waeyenberg & Decramer, 2018). The AMO framework proposes that "performance in any kind of role is some function of the individual's abilities, motivation, and their opportunity to perform in the specific context" (Boxall & Purcell, 2011, p. 190). Ability refers to managers having the competence, skill, and knowledge to perform the HRM practice. Motivation is defined as having the desire, willingness and perseverance to perform HRM tasks. The third crucial aspect concerns the availability of opportunities, which refers to operational or situational chances of fulfilling their role as managers. Boxall and Purcell (2011) suggested that performance appraisals can be analyzed through the AMO framework, with managers needing sufficient abilities, motivation, and opportunities to perform well. Performance appraisal is one component of our definition of pay setting and the AMO framework is most likely also relevant for justice enactment during pay setting. Here, the AMO framework

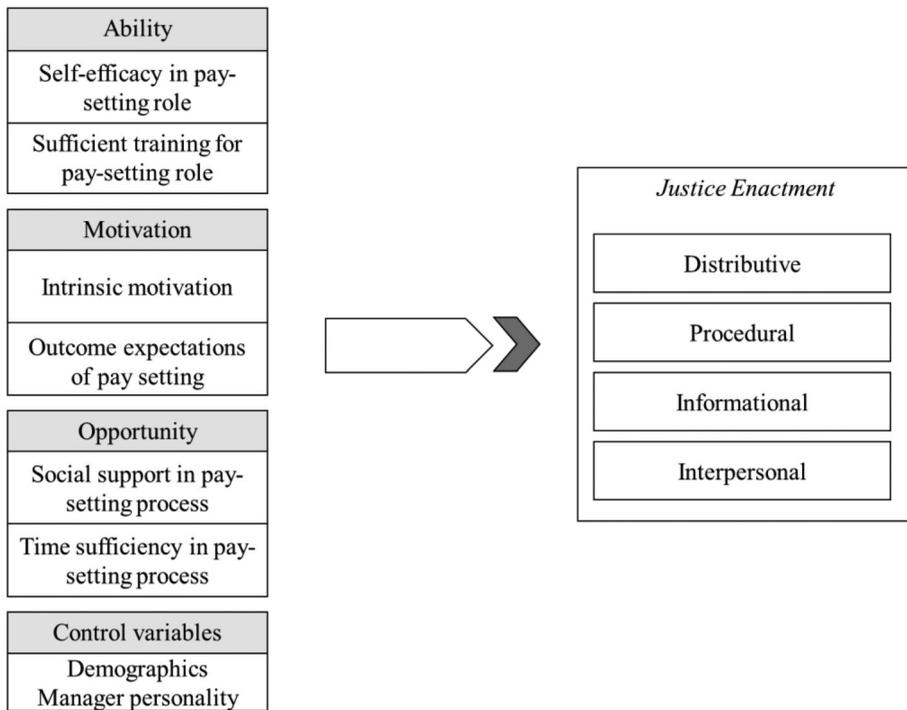


Figure 1. Research model of the AMO framework of justice enactment for the present study.

helps identify factors that may lead managers to feel they act fairly with respect to pay setting. We argue that managers who have the ability, motivation, and opportunity to perform their duties in the pay-setting process are more likely to report behaving fairly in the pay-setting process. Figure 1 displays the research model for this study.

The role of ability

According to the AMO framework, the first factor assumed to result in successful implementation of HRM strategies is ability (Appelbaum et al., 2000; Boxall & Purcell, 2011). In this framework, ability concerns whether managers “possess the necessary knowledge, skills and aptitudes” (Boxall & Purcell, 2011, p. 5). Abilities can be divided into declarative knowledge, such as knowing relevant facts and principles, and procedural knowledge and skills, such as having relevant interpersonal skills, self-management skills or cognitive skills. Boxall and Purcell (2011) maintain that ability and capability of managers in performance appraisals involves whether managers can accurately judge performance differences, can give performance feedback that is fair, and whether managers can have a conversation that helps retain high performers among other aspects. Likewise, the complexity of pay setting puts a high demand on the

abilities of managers to enact fairness. We have chosen two aspects to reflect the ability component: *self-efficacy in the pay-setting role* and *sufficient training for the pay-setting role*.

It has not previously been tested if ability predicts managers' justice enactment during pay setting, but in a theoretical model, Ambrose and Schminke (2009) suggested that in order to be fair, one needs to be able to recognize fairness issues in organizational situations, be able to analyze fairness issues, know what actions are appropriate, and believe one is able to be fair in a given situation. The belief in one's own ability is similar to the self-efficacy concept (Bandura, 1977). Self-efficacy involves the perceived belief that one is capable of a specific behavior (Williams, 2010) and has been associated with greater effort, engagement, and performance (Avolio & Hannah, 2008; Judge & Bono, 2001). A recent study showed that managers with higher levels of self-efficacy in their job reported that they enacted more distributive, procedural, and informational justice towards their employees than those managers who reported less self-efficacy (Sherf et al., 2020).

Management training has been proposed to be useful for managers to develop the necessary skills in order to be able to implement a fair pay-setting system (Boxall & Purcell, 2011). It has long been argued that line managers can only effectively implement HRM practices when they receive adequate training to fulfill their HR responsibilities (Op de Beeck et al., 2016; Perry & Kulik, 2008). Receiving training for the role as pay-setting manager is an instrumental resource, which helps to make decisions and build rationales for decisions based on the guidelines set out by the organization (Van Waeyenberg & Decramer, 2018). If managers have sufficient information about the organization's pay-setting system, they are also more likely to perform the pay setting in a way that is perceived as fair (Andersson-Stråberg et al., 2007; Maaniemi, 2013). Based on the AMO framework, which predicts that higher ability leads to higher performance, we argue that higher ability to set pay also leads to higher enacted justice in pay setting. Therefore, we hypothesize:

Hypothesis 1: Ability in the pay-setting context is positively related to managers' reported justice enactment.

The role of motivation

Apart from having the ability, based on the AMO framework, managers also need to have the desire, interest, and willingness (i.e. motivation) to implement a specific HRM strategy in order to succeed with the implementation (Appelbaum et al., 2000; Boxall & Purcell, 2011), and to act fair during implementation (Ambrose & Schminke, 2009). Boxall and

Purcell (2011) note that even if managers have the ability and capability to enact fair pay-setting processes, they have goals of their own that may not necessarily be in line with giving accurate and unbiased appraisals and pay reviews. In these instances, it is helpful if HR systems are built that function well and managers are committed to enact the intended pay-setting system. In the AMO framework, motivation is understood as choice to perform, level of effort, and persistence of effort (Boxall & Purcell, 2011). In the most general sense, the motivation literature distinguishes between intrinsic and extrinsic motivational forces (Cerasoli et al., 2014). Individuals engage in intrinsically motivated behaviors for their own sake, because it is enjoyable or purposeful, whereas they engage in extrinsically motivated behaviors because of the prospect of some instrumental gain. We have chosen two aspects to reflect the component motivation: *intrinsic motivation* and *outcome expectations of pay setting*.

Intrinsic motivation focuses on the fulfillment of basic internal needs like wanting to fulfill one's managerial role and responsibilities in relation to pay setting because of enjoyment. Studies generally show that intrinsic motivation is associated with more involvement, better performance, and more compliance with internalized norms (Cerasoli et al., 2014; Hofeditz et al., 2017; Park & Rainey, 2012). Managers with an interest in leading, either due to enjoyment or due to a perceived sense of social duty, perceive themselves as more effective leaders (Vilkinas et al., 2020). In contrast, less intrinsic motivation tends to be associated with less effort, less compliance intentions, and less leadership effectiveness (Badura et al., 2020; Hofeditz et al., 2017), particularly when discretionary behavior is involved. Justice enactment is potentially resource-depleting (Johnson et al., 2014), as it is difficult to follow all justice rules with all employees during pay setting, which is often an emotional and difficult HRM process for managers and employees. Moreover, those lacking enjoyment are more likely to avoid a tough or long pay-setting discussion (Folger & Skarlicki, 2001), something that undermines adherence to justice rules. Therefore, we argue that managers who are intrinsically motivated in their jobs are more likely engage in justice enactment.

Another important aspect of motivation concerns seeing benefits with enacting a specific HR practice. Outcome expectations of pay setting reflects managers' belief in the functionality of the pay-setting system, such that the system produces beneficial results in terms of employee motivation and performance and thereby helps the organization to reach its goals. This concept is very similar to outcome expectations in the context of pay-setting. Bandura (1977) defined outcome expectations as "a person's estimate that a given behavior will lead to certain outcomes"

(p. 193). Bandura argued that outcome expectations affect initiation and persistence of behavior, such that individuals are more motivated to behave in a certain way when they have the cognitive representation of anticipated benefits. Likewise, this mirrors one aspect of the expectancy-value model (Vroom, 1964), such that the desirability of the outcome is one important determinant of motivation. Thus, this aspect may rather fall into one of the extrinsic motivation categories. It has been shown that a more positive attitude towards the pay-setting system may increase managers' motivation to work with the pay setting (Du Plessis & van Niekerk, 2017). Based on the AMO framework, we argue that higher motivation leads to higher enacted justice in pay setting. We therefore hypothesize:

Hypothesis 2: Motivation in the pay-setting context is positively related to managers' reported justice enactment.

The role of opportunity

In the AMO framework, the third component assumed to increase the likelihood for successful implementation of HRM practices is opportunity. Boxall and Purcell (2011) theorized that motivation and ability are not sufficient to result in good performance unless necessary support is available and hindrances can be overcome. Specifically, in describing the opportunity to perform, they emphasized that "the work structure and its environment provides the necessary support and avenues for expression" (p. 5). Individual performance is embedded in a specific context, such that even if managers have high levels of ability and motivation, they will not be able to perform well if they lack adequate resources, equipment, and tools, or work in an unsupportive environment. Particularly important HRM practices like pay setting often take place in a wider organizational context involving organizational strategies and competing interests, in which managers might be pushed to give certain raises or lack thereof out of other reasons than employee performance (Boxall & Purcell, 2011). In these instances, senior managers can help managers to consistently apply rules in an unbiased manner. Senior managers are crucial in providing the opportunity context so that HRM practices can be effectively enacted. We have chosen two aspects to reflect the component opportunity: *social support in pay-setting process* and *time sufficiency in pay-setting process*.

Based on the AMO framework and the specific component opportunity, social support from managerial colleagues may be an important aspect in shaping managers' performance. Social support in pay setting reflects the possibility to get support and assistance from managerial

colleagues and also from higher levels in the organization. In a qualitative study with Swedish managers, it was found that social support from managerial colleagues can increase managers' perceptions that they are highly informed, which helps them to make decisions confidently and convey those decisions with reason, thus acting more fairly (Lundqvist et al., 2018). Superiors can provide valuable information to managers about the different expectations of one's role and which priorities to set, which saves time by not having to search for information and knowledge themselves (Gilbert et al., 2011a), which should also increase managers' self-reported justice enactment. In addition, managers may also learn from their superior colleagues whether and how to enact justice in pay setting. For instance, research in the justice literature has found that managers pass along the treatment they get from their superiors to their subordinates (trickle-down; Wo et al., 2019).

A second aspect that may be crucial for providing opportunity to managers is giving managers enough time to prepare and conduct all aspects involved in the pay-setting process (Bos-Nehles et al., 2013; Maaniemi, 2013; Pulakos & O'Leary, 2011). Time sufficiency is a resource that is necessary in order to adhere to justice rules. Justice enactment can be understood from a resource depletion perspective, such that adhering to rules of justice requires time to process a lot of information, to listen to employees, to make decisions, and to prepare justifications (Johnson et al., 2014). Conversely, time pressure has been linked to increased job strain, decreased decision quality, less knowledge sharing, and more unethical decision-making (Koh et al., 2018; Škerlavaj et al., 2018). In experimental research, it has been shown that under high workload, individuals choose to spend less time on the enactment of justice than when their workload is lower (Sherf et al., 2019). In a qualitative study from Finland, it was found that many employees perceived that their pay-setting managers appeared to lack time for their duties in pay setting (Maaniemi, 2013). Based on the AMO framework, we argue that higher opportunity leads to higher enacted justice in pay setting. Thus, we hypothesize:

Hypothesis 3: Opportunity in the pay-setting context is positively related to managers' reported justice enactment.

Method

Research context

Sweden has a history of centralized pay determination. Since the early 1900s, collective agreements about pay and other work-related issues

have been decided by negotiations between central unions and central employer organizations (Bender & Elliott, 2003). While the collective agreements still regulate how pay raises should be determined – and typically also the overall proportion of an organization's pay raises – since the 1980s, local pay-setting with elements of individualized pay has increased (Bender & Elliott, 2003). Today, almost all white-collar workers have at least a part of their possible pay raise decided based on their individual performance. In order to keep Swedish industries internationally competitive, collective agreements set a norm of how much salaries can increase each year. During the last years, the wage growth has been between 2 and 3 percent (Swedish National Mediation Office, 2018). This percentage is distributed to the subordinates – with a varying degree based on individual performance. Organizations that apply individual pay setting have developed cyclic processes, usually annual, which include individual goal setting, performance reviews and appraisal, feedback, and decision regarding a potential salary increase. Each manager performs this process in relation to her/his subordinates.

The data used in this study were collected among pay-setting managers in an industrial company in Sweden. The company is part of a bigger conglomerate with branches in several countries around Europe and in the Americas. In Sweden, the company has a headquarters and about 30 affiliations. The company had more than 3000 employees in Sweden at the time of the data collection, focusing on areas such as production, distribution, selling and support. Most of the employees were in high-skilled jobs requiring higher education. All pay-setting managers included in this study had white-collar employees as subordinates. Pay setting has been an important aspect for HR in the organization. All managers have received training regarding the organization's pay-setting system and are asked to rate subordinates according to set objectives and criteria in order to arrive at potential pay raises. The collective agreement stipulates that pay raises are up to the organization and do not involve any guaranteed minimum raise, which indicates that some subordinates may receive a zero increase (a decrease in pay is not permitted), whereas others may receive well beyond the average. Pay-setting managers decide about the amount of pay raise (or lack thereof) for each of their immediate subordinates. The decision is based on the following: 1) market salaries for each position, 2) competence/experience, 3) responsibilities, and 4) individual performance. If the manager and subordinate cannot agree on the new salary, there is a possibility to appeal against the proposed pay and negotiations are then taken over by local unions and HR (but this rarely occurs). Both the employer and the local unions emphasize the importance of a clear "line of sight" (Lawler, 2000). This requires managers to

be explicit in how pay raises have been determined, clarify how pay relates to past performance, discuss what would be needed for future pay raises, as well as to avoid bias and treat subordinates with respect and dignity.

Data collection and participants

The data collection was conducted in May–June 2016, right after the annual pay raises had been established. The organization had informed staff regarding the data collection *via* the intranet. All pay-setting managers ($N=348$) in the organization were invited to participate in the survey. They received an invitation email from the research team, informing them about the general purpose of the research project, clarifying that participation in the study was voluntary, assuring that no one outside the research team was to see any individual responses, and that participation in the study would not affect their work situation. The invitation email also explained that all aspects of the project had received ethical approval by the Regional Ethics Committee in Stockholm (Ref. No. 2015/1733-31/5) and included a personalized link to a web-based questionnaire.

After four reminders, 213 managers gave their consent to participate in the survey, for a response rate of 61 percent. Of these, 184 were managers who had non-managerial subordinates. We chose to exclude managers with subordinates who were also managers to others in order to have a homogenous group of managers at the same level. Listwise deletion of missing data in the relevant study variables resulted in an effective sample size of 172 pay-setting managers. Of these, 126 were men and 46 (27%) were women. Their age ranged between 29 and 66 with a mean age of 47 years ($SD=9$). On average, they had eight subordinates (range: 1–24, $SD=5$) and had been a manager at the current workplace for an average of six years (range: 0–30, $SD=5$). Multivariate outliers were identified *via* Mahalanobis D (Tabachnick & Fidell, 2007), which resulted in the exclusion of three participants such that the resulting effective sample size was 169.

Measures

Unless stated otherwise, all variables were obtained using a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Means, standard deviations, and correlations for all study variables are presented in Table 1

Table 1. Descriptive statistics and correlations of study variables.

Variable	M	SD	1	2	3	4	5	6	7	8	
<i>Self-reported justice enactment</i>											
1 Distributive justice enactment	3.75	.71	–								
2 Procedural justice enactment	3.96	.64	.61***	–							
3 Informational justice enactment	4.18	.56	.38***	.66***	–						
4 Interpersonal justice enactment	4.62	.48	.37***	.58***	.60***	–					
<i>Ability</i>											
5 Self-efficacy in pay-setting role	3.72	.75	.33***	.38***	.56***	.27***	–				
6 Sufficient training for pay-setting role	3.65	.96	.27***	.32***	.39***	.16*	.48***	–			
<i>Motivation</i>											
7 Intrinsic motivation	4.50	.53	.16*	.27**	.23**	.34***	.31***	.06	–		
8 Outcome expectations of pay setting	3.11	.83	.43***	.16*	.06	–.02	.20**	.21**	.06	–	
<i>Opportunity</i>											
9 Social support in pay-setting process	3.99	.85	.38***	.53***	.38***	.27***	.20**	.25**	.32***	13	
10 Time sufficiency in pay-setting process	3.45	1.09	.29***	.29***	.35***	.15	.39***	.29***	.21**	.16*	
<i>Control variables</i>											
11 Age	47.85	8.58	.19*	.13*	.02	.04	.02	.13	–.06	.14	
12 Gender (woman)	1.27	–	–.05	.06	.08	.08	–.01	.01	.20*	.03	
13 No. of subordinates	8.91	4.09	.02	.04	.02	.04	–.02	–.01	.06	–.14	
14 Tenure manager	5.62	5.00	.16*	.12	.04	.06	.16*	.19*	.04	–.01	
15 Extroversion	3.78	.77	.07	.25**	.28***	.28***	.28***	.05	.29***	–.10	
16 Conscientiousness	4.12	.52	.15	.22**	.34***	.25**	.30***	.20*	.33***	–.01	
17 Neuroticism	2.04	.60	–.11	–.15*	–.30***	–.11	–.42***	–.13	–.28***	.05	
18 Openness	3.25	.69	–.04	.09	.20*	.20**	.11	.10	.12	.07	
19 Agreeableness	4.14	.51	.19*	.30***	.22**	.38***	.05	–.05	.30***	–.03	
Variable	9	10	11	12	13	14	15	16	17	18	19
<i>Self-reported justice enactment</i>											
1 Distributive justice enactment											
2 Procedural justice enactment											
3 Informational justice enactment											
4 Interpersonal justice enactment											
<i>Ability</i>											
5 Self-efficacy in pay-setting role											
6 Sufficient training for pay-setting role											
<i>Motivation</i>											
7 Intrinsic motivation											
8 Outcome expectations of pay setting											
<i>Opportunity</i>											
9 Social support in pay-setting process	–										
10 Time sufficiency in pay-setting process	.18*	–									
<i>Control variables</i>											
11 Age	–.02	.09	–								
12 Gender (woman)	.19*	.01	–.23**	–							
13 No. of subordinates	.19*	–.13	–.04	.11	–						
14 Tenure manager	.07	.12	.42***	–.00	.08	–					
15 Extroversion	.16*	.22**	–.08	.18*	.05	.06	–				
16 Conscientiousness	.19*	.27***	–.01	.05	.04	–.05	.26**	–			
17 Neuroticism	–.07	–.36***	–.06	.06	–.01	–.04	–.31***	–.34***	–		
18 Openness	.02	.12	–.04	.08	–.07	–.11	.11	–.05	–.08	–	
19 Agreeableness	.23**	.12	.15	.11	.05	.05	.41***	.26***	–.17*	–.06	–

Notes. N = 169.

*p < .05.

**p < .01.

***p < .001.

Justice enactment

The four dimensions of justice enactment were adapted from Colquitt (2001) to suit the context of pay setting (Andersson-Stråberg et al., 2007) and the target of managers. All questions were introduced with “As supervisor, to what extent do you think that ...” with response alternative ranging from 1 (to a very small extent) to 5 (to a very large extent). Distributive justice enactment was measured with four items, had an alpha of .82, and an example item included: “... your employees’ pay reflects the effort and dedication they have put into their work?”. Procedural justice enactment was measured with seven items, had an alpha of .80, and an example item included: “... your employees have been able to express their views and feelings on pay-setting issues?”. Informational justice enactment was assessed with five items, the alpha was .81, and an example item included: “... you have clearly and thoroughly explained the pay-setting process?”. Interpersonal justice enactment was originally composed of four items, which resulted in a Cronbach alpha of .60. The item “... you have made improper comments in relation to pay-setting” (reverse coded) produced problems, and excluding the item resulted in a Cronbach alpha of .73. A positively worded example item was: “... you have treated your employees in a polite manner in relation to pay-setting?”. Because the problem of low reliability was due to the negatively worded item, we chose to use only three items, which resulted in an acceptable reliability.

AMO components

All items used to measure the AMO components are displayed in [Attachment 1](#). *Ability* was operationalized as self-efficacy in the pay-setting role and sufficient training for the pay-setting role. Self-efficacy in the role as pay-setting manager was measured with three items, based on Sperry (2002) and adjusted to reflect leadership behavior in the context of pay-setting (Cronbach alpha .85). Sufficient training for the pay-setting role was measured with two items, developed specifically for the purpose of the present study (Cronbach alpha .71). *Motivation* was operationalized as intrinsic motivation and outcome expectations of pay setting. Intrinsic motivation was measured with three items (Cronbach alpha .84), based on Gagné et al. (2010) and Guay et al. (2000). Outcome expectations of pay setting was measured with four items, based on Eriksson et al. (2002, see also Stråberg et al., 2008) and adjusted to reflect managers’ perceptions (Cronbach alpha .88). *Opportunity* was operationalized with availability of social support and time during the pay-setting process. We measured social support in the pay-setting process with three items, based on Caplan et al. (1975), adjusted to fit the

context of pay setting (Cronbach alpha .88), and time sufficiency during pay-setting process with one item, based on Beehr et al. (1976).

A confirmatory factor analysis with all five, correlated latent AMO factors (excluding the single item used to measure time sufficiency) showed a good fit to the data ($\chi = 107.67$, $df = 80$, $p = .021$, $CFI = .981$, $RMSEA = .032$). Several confirmatory factor analyses were conducted that confirmed that the proposed factorial structure of the predictor and outcome variables provided a better fit than alternative models.

Control variables

In order not to overestimate the importance of AMO predictors for justice enactment, we controlled for individual attributes (demographics and personality), which in previous research have been found to be associated with managerial attitudes and behaviors (e.g. Hoogervorst et al., 2013; Mayer et al., 2007). Demographic characteristics were obtained from company registers and measured participants' age (in years), gender (0 = man, 1 = woman), and number of subordinates. Tenure as manager (in years) was assessed *via* a survey item ("How many years have you been a manager at your current workplace?"). Personality was assessed using a translation of the Big Five inventory (BFI; John & Srivastava, 1999). Each facet was measured with five items and questions started with "I see myself as someone who ...": extraversion ("... is outgoing, sociable"; Cronbach alpha .85), conscientiousness ("... does a thorough job"; Cronbach alpha .70), neuroticism ("... worries a lot"; Cronbach alpha .72), openness to experience ("... is original, comes up with new ideas"; Cronbach alpha .72), agreeableness ("... is helpful and unselfish with others"; Cronbach alpha .68).

Data analysis

Four hierarchical linear regression analyses were conducted (for each of the four justice enactment outcome variables). Predictors were entered in blocks decided beforehand. Step 1 included the ability components, Step 2 the motivation components, Step 3 the opportunity components, and Step 4 the control variables (demographics and personality dimensions).

Results

The results of the hierarchical multiple regression analyses are shown in Table 2. In line with Hypothesis 1, the block ability contributed significantly to the explanation of variance in all four justice enactment dimensions. Investigating the last step in the hierarchical regression, in which all predictor variables were included, revealed that self-efficacy in the

Table 2. Standardized regression estimates displayed for all justice enactment dimensions.

	Distributive JE				Procedural JE				Informational JE				Interpersonal JE			
	Step 1	Step 2	Step 3	Step 4	Step 1	Step 2	Step 3	Step 4	Step 1	Step 2	Step 3	Step 4	Step 1	Step 2	Step 3	Step 4
<i>1 Ability</i>																
Self-efficacy in pay-setting role	.26**	.18*	.15 ⁺	.16 ⁺	.29***	.21*	.19*	.21*	.49***	.47***	.44***	.43***	.26**	.16 ⁺	.16 ⁺	.19*
Training for pay-setting role	.14 ⁺	.10	.01	.01	.18*	.19*	.08	.08	.16*	.17*	.10	.10	.03	.08	.04	.04
<i>2 Motivation</i>																
Intrinsic motivation	.07	-.03	-.03	-.03	.19*	.05	.01	.01	.08	.08	-.02	-.09	.29***	.24**	.14 ⁺	.14 ⁺
Outcome expectations of pay setting	.37***	.34***	.35***	.35***	.07	.03	.03	.03	-.07	-.07	-.10	-.10	-.09	-.09	-.10	-.10
<i>3 Opportunity</i>																
Social support in pay-setting process	.29***	.27***	.29***	.27***	.43***	.41***	.41***	.41***	.26***	.26***	.26***	.24***	.16*	.16*	.16*	.12
Time sufficiency in pay-setting process	.13 ⁺	.12 ⁺	.12 ⁺	.12 ⁺	.10	.07	.07	.07	.12 ⁺	.12 ⁺	.12 ⁺	.08	.01	.01	.01	-.02
<i>4 Controls</i>																
Age			.06	.06		.09	.09	.09				.03				.02
Gender (woman)			-.10	-.10		-.03	-.03	-.03				.04				-.02
No. of subordinates			.03	.03		-.03	-.03	-.03				-.01				-.00
Tenure Manager			.06	.06		-.00	-.00	-.00				-.07				.01
Extraversion			-.03	-.03		.07	.07	.07				.02				.04
Conscientiousness			.01	.01		.01	.01	.01				.11				.08
Neuroticism			.02	.02		.06	.06	.06				-.01				.13
Openness			-.07	-.07		.05	.05	.05				.14*				.20**
Agreeableness			.14 ⁺	.14 ⁺		.16*	.16*	.16*				.13 ⁺				.30***
R ² change	.12***	.13***	.09***	.05	.17***	.04*	.17***	.05	.33***	.01	.07***	.06 ⁺	.08***	.08***	.02	.13***
Total R ²	.12	.26	.34	.39	.17	.20	.37	.42	.33	.34	.42	.47	.08	.16	.18	.31
Adjusted R ²	.11	.24	.32	.33	.16	.18	.35	.36	.32	.33	.39	.42	.07	.14	.15	.24

Notes. N = 169.

+*p* < .10.

**p* < .05.

***p* < .01.

****p* < .001. JE = justice enactment.

role as pay-setting manager was positively related to adherence to procedural justice enactment, informational justice enactment, interpersonal justice enactment, and marginally significantly related to distributive justice enactment. Sufficient training for the role as pay-setting manager was no longer significantly associated with any of the justice enactment dimensions in the last step. In sum, we regard Hypothesis 1 as supported for self-efficacy in the role as pay-setting manager and not supported for sufficient training for the role as pay-setting manager.

Regarding Hypothesis 2, the block motivation contributed significantly to the explanation of variance in all outcomes but informational justice enactment. In the last step, outcome expectations of pay setting had a significant relation only to distributive justice enactment. Intrinsic motivation had a marginally significant relation to interpersonal justice enactment. None of the other relations was significant in the last step. We therefore conclude a limited support for Hypothesis 2.

Regarding Hypothesis 3, the block opportunity explained significant proportions of the variance in three of the four justice enactment dimensions (not interpersonal justice enactment). Looking at the last step revealed that social support in the pay-setting process was positively related to adherence to all enactment dimensions but interpersonal justice enactment. Time sufficiency in the pay-setting process was marginally significant for the prediction of distributive justice enactment. In sum, Hypothesis 3 was supported for three of the four justice enactment dimensions as concerns social support in pay-setting process, but not concerning time sufficiency in the pay-setting process.

In terms of change in explained variance, the block including the control variables was significant for interpersonal justice enactment and marginally significant for informational justice enactment. In terms of significant predictor variables, agreeableness was positively associated with procedural and interpersonal justice enactment, and marginally significantly related to distributive and informational justice enactment. Openness to experience was positively associated with informational and interpersonal justice enactment. None of the other control variables had significant associations with the justice enactment dimensions.

Discussion

This study set out to shed light on the manager's side of organizational justice by focusing on predictors of justice enactment in the context of pay setting. The results revealed that managers' reported justice enactment was predicted by their ability, motivation, and opportunity during the pay-setting process. Across all four justice dimensions, the most

consistent predictors were ability (self-efficacy in the role as pay-setting manager) and opportunity (social support during the pay-setting process). For distributive justice enactment, all AMO blocks were relevant, with significant predictors being outcome expectations of pay setting (motivation) and social support during the pay-setting process (opportunity). For procedural and informational justice enactment, self-efficacy in the pay-setting role (ability) and social support during the pay-setting process (opportunity) were significant predictors. For interpersonal justice enactment, none of the AMO components were significant; this justice enactment dimension was rather explained by personality characteristics (openness to experience and agreeableness). Agreeableness had significant or marginally significant associations with all four justice dimensions, but adding the control variables block did not significantly contribute to the explanation of variance except for interpersonal justice enactment.

Managers and justice enactment

The aspects of ability, motivation, and opportunity are not unknown to the justice enactment literature. Whiteside and Barclay (2018) noted that motivation to be fair alone is not enough to act fairly; ability (in terms of having sufficient ego-resources) is also necessary. Similarly, Ambrose and Schminke (2009) argued that in order to be fair, an individual needs to recognize justice aspects and be efficacious. Sherf et al. (2019) highlighted that the workload of the manager and the incentives set out by the organization are important constraints to fair behavior. And Scott et al. (2009) argued that managers need to have decision latitude to be able to implement justice. Yet, no study has put these various factors together to study how organizations can facilitate managers' perceived justice enactment. Empirical articles on antecedents of justice enactment have largely focused on personality variables of the manager or factors related to the subordinates (Graso et al., 2020). The present study adds to the justice enactment literature by focusing on managerial resources that organizations can foster through their HR processes.

Our results show that managers reported to follow distributive justice rules more closely during pay setting when they had positive outcome expectations of the pay-setting system (motivation), and when they experienced social support from managerial colleagues (opportunity). To a smaller extent, self-efficacy in the pay-setting role (ability) and time sufficiency during the pay-setting process (opportunity) also contributed to explaining variance in distributive justice enactment. Past research has found that managers experience common hindrances, e.g. when they

only have limited available financial resources to link subordinates' salary to their performance or when the pay-setting system does not increase motivation among subordinates or leads to injustices (Maaniemi, 2013). For instance, in a study on attitudes of middle managers towards performance-related pay, Harris (2001) found that 67% of managers agreed with the statement "Just not worth all the time and trouble for the amounts involved", and 68% agreed with the statement "It does not act as a motivator for the majority" (p. 1186). Consistent with notions by Bandura on outcome expectations impacting behavior (Bandura, 1977), if managers feel that the pay-setting system does not produce beneficial effects, they appear less likely to feel that they are fair when they distribute pay. To increase managers' perceptions that they can adhere to distributive justice rules, it may be worthwhile to involve managers more in the process of designing the pay-setting system, and also to offer them support, particularly during the process of pay setting. In the leadership training literature, it is widely accepted that particularly transfer of training to the reality of the managerial job is a key factor for the effectiveness of leadership trainings (Lacerenza et al., 2017; Schleicher et al., 2019).

Our findings also showed that managers were more likely to report that they followed procedural and informational justice rules when they perceived themselves self-efficacious in their role as pay-setting manager, and reported they had access to social support during the process. This may suggest that managers perceive that they can give candid explanations and justifications to subordinates, and feel safer to give employees room to express views when they are comfortable in their role as pay-setting manager (ability) and when they feel supported by colleagues at higher levels (opportunity). Previous research investigating justice enactment in other contexts has highlighted difficulties in behaving fairly. For instance, in the context of downsizing, Folger and Skarlicki (2001) proposed several reasons why managers may distance themselves from layoff victims and not treat them fairly when implementing layoffs. As Patient and Skarlicki (2010) pointed out, particularly when communicating unfavorable decisions, managers might be more inclined to shut down subordinates instead of giving them voice and letting them express their views. Molinsky and Margolis (2005) argued that communicating negative news involves skill and effort. Even though all managers in the present study received training from the organization for their role as pay-setting manager, their self-efficacy in the role mattered for their actions (Bandura, 1977). Future studies are needed to study whether managers' self-efficacy in their role as pay-setting manager is related to giving employees more voice and participation.

While the addition of the personality traits, particularly openness to experiences and agreeableness, contributed to the explanation of

interpersonal justice enactment, the ability and motivation components entered before contributed significantly as well. Self-efficacy in pay-setting role, intrinsic motivation, and, to a smaller extent, social support were positively related to interpersonal justice enactment. Johnson et al. (2014) argued that interpersonal justice enactment may not deplete actors' self-control resources as much as the enactment of other justice rules, because individuals are often used to communicate in respectful and kind ways as respectful communication is often a societal norm. Likewise, Scott et al. (2009) argued that managers have most discretion over interpersonal justice enactment than the other dimensions, as it is less constrained by systemic factors and less costly. Maybe this explains why training sufficiency and time sufficiency were not significantly related to interpersonal justice enactment, although a positive correlation existed for training sufficiency. Managers may have learned, through trainings for instance, that interpersonally fair interactions are important with subordinates. From this sense, it may rather be surprising that there was enough variation in interpersonal justice enactment to find significant predictors. When managers feel efficacious in their role, get managerial trainings, and have the motivation to do a good job, they are more inclined to behave interpersonally fair.

There were other non-supported predictions. Particularly, intrinsic motivation was not predictive of distributive and informational justice enactment in any of the analytical steps. However, intrinsic motivation had significant bivariate positive correlations with all dimensions of justice enactment. For procedural justice enactment, the effect of intrinsic motivation became non-significant when opportunity was added, and for interpersonal justice enactment the effect of intrinsic motivation was still marginally significant in the last step. This may point to the fact that intrinsic motivation is important for justice enactment, even when considering other ability, opportunity and personality factors. But, future studies may measure more specific aspects of intrinsic motivation. For instance, one may want to adapt the measure of intrinsic motivation to the pay-setting role, or towards the interactions with subordinates.

Outcome expectations of pay setting were not predictive of procedural justice enactment, although there was a small positive bivariate correlation. In their study on relating managerial motives to justice rule adherence, Scott et al. (2014) found that for procedural justice enactment 'identity maintenance' was the strongest individual motive, which refers to managers wanting to be seen as capable, effective, and competent leaders by their subordinates. It may be that individual motives have a stronger association with procedural justice enactment than more systemic factors of the functionality of the HRM practice. It seems that

outcome expectations of pay setting was particularly relevant for distributive justice enactment. This may be related to the fact that the HRM practice in question dealt with pay setting, so that managers paid particular attention to distributive aspects during pay setting. A fruitful future endeavor would be to incorporate managerial motives, with ability, motivation, and opportunity aspects to predict justice enactment of managers.

Methodological considerations

Like for any research, the present findings may be affected by some methodological aspects that need to be discussed. One obvious limitation is the cross-sectional design of our study, which prohibits inferences regarding causality. However, the finding that ability, motivation, and opportunity predicted justice enactment is in line with prior theorizing and the limited empirical literature (e.g. Johnson et al., 2014; Masterson et al., 2005; Sherf et al., 2019) on this topic. Still, the present findings await replication using longitudinal data and intervention studies, in which managers receive training in aspects relating to ability, motivation, and opportunity, and investigating whether this may influence self-reported justice enactment. Future research would also benefit from examining if AMO experiences are related to subordinates' perceptions of justice – and whether they may contribute to a more effective HRM practice of pay setting in order to attract and keep staff, and making them perform well.

A related concern is whether justice enactment is better assessed as self-reported justice enactment, 'objective' rule adherence, or justice perceptions of subordinates. While all three approaches have been used in the literature, each of them comes with advantages and disadvantages. We have claimed that justice enactment is in essence about self-reported justice enactment, which is not to say that these are necessarily true perceptions, but neither are subordinates' justice perceptions. In an experimental study with students, Whiteside and Barclay (2018) investigated differences between self-reported and other-coded justice enactment during a layoff and noted self-appraisal gaps when students had depleted resources. In another study, it was found that the justice climate perceived by subordinates is impacted by supervisors' own perceptions of justice from their superiors, suggesting that justice enactment from supervisors towards their employees is impacted by supervisors' own treatment (Ambrose et al., 2013). These few studies point to a complex relationship between self-reported and other-rated justice enactment and the relationship to agreement with employees' justice perceptions. We

encourage more research to look into these intricacies but also urge to consider self-reported justice enactment from supervisors as an important source and focus of study.

A related potential limitation is that all data (besides demographical variables) were self-reported, which introduces the risk to overestimate the associations between predictors and justice enactment due to common method variance (CMV) (Podsakoff et al., 2012). One related risk is that managers' ratings of their enacted justice may be inflated by social desirability, and, hence, that the measures are characterized by ceiling effects (Podsakoff et al., 2012). However, there was enough variance in the justice enactment measures such that the predictors were able to partly explain them, which provides some evidence that ceiling effects may not have been a huge problem. Self-reports are the most appropriate way to reflect managers' perceptions about their justice enactment, and their ability, motivation and opportunity. The impact of CMV has raised substantial debate among scholars. Considerable doubts about the relevance of CMV in organizational research have been articulated (Spector, 2006). Furthermore, it has also been suggested that mono-method correlations may even provide a more accurate picture of relations among constructs (Lance et al., 2010). To reduce the potential risk of CMV, we followed several procedural recommendations for designing an adequate data collection (e.g. having different response formats for different scales, having negatively worded items, reminding participants about their confidentiality, instructing participants that there are no right or wrong answers, spacing out independent and dependent variables). Furthermore, all demographic variables were taken from registers.

Several previous studies have used Harman's test as statistical test for common method variance (e.g. de Poel et al., 2012; Haar & Spell, 2009; Vilkinas et al., 2020). The test involves including all study variables into an exploratory factor analysis with three extraction approaches: an unrotated principal components analysis, a principal component analysis with varimax rotation, and a principle axis factoring with varimax rotation. The test proposes that common method bias is evident if a single factor explains a majority of the variance. All extraction approaches provided more than one factor, and the first factor accounted for 24 percent, 16 percent, and 13 percent of the total variance using the three extraction methods, respectively. Thus, this test indicates little evidence of common method bias. Since many statistical articles have criticized this test (Jakobsen & Jensen, 2015; Podsakoff et al., 2012), we also conducted several confirmatory factor analyses, which confirmed that the proposed factorial structure of the predictor and outcome variables were better fitting than alternative models.

It should also be noted that the measures regarding justice enactment were phrased such that each manager was asked to indicate how they generally acted in relation to all of their subordinates. Such general estimates regarding average enacted justice are obviously less detailed than if they had been asked to rate how they treated each of their subordinates – and such estimates were later aggregated (cf. Simons & Roberson, 2003). However, asking managers to rate enactment concerning each of their subordinates would not only be impractical and time-consuming from a data collection perspective, but such responses are likely to be even more colored by social desirability.

Data were collected in one particular organization (which had devoted much time and energy to improve their pay system) in one particular country (Sweden), where collective agreements between employer organizations and unions still provide the overall framework for organizations' pay-setting systems, which might limit the generalizability of the findings. Our findings need replication in other countries and in organizations that differ in their pay-setting systems. However, a potential advantage that all study participants were employed in the same organization is that the findings are not biased by differences in pay systems. Another limitation relates to the fact that we assessed broad personality variables, instead of personality variables more strictly related to justice, as for instance, empathy or moral regard (Patient & Skarlicki, 2010). However, the Big Five personality traits have been used to predict leadership outcomes and are widely accepted as a suitable overall personality model (see Mayer et al., 2007).

Lastly, we made general claims predicting that AMO components would be of similar importance for all dimensions of justice enactment. This was based on the fact that there is thus far little work done on the predictors of justice enactment, particularly concerning managerial and HRM predictors. Future studies may find it fruitful to explore how predictors of justice enactment may vary in strength based on the idea that managerial discretion varies for the different justice enactment dimensions (Scott et al., 2009).

Practical implications

Most workplaces enforce regular pay-setting processes, in which pay and potential pay increases are discussed between pay-setting managers and their subordinates. For subordinates to accept decisions derived from the pay-setting process, it is important that the system is deemed legitimate. Here, fairness has long been considered a crucial factor contributing to the legitimacy of a system (Tyler, 2006). A central aspect in creating

fairness perceptions is that managers behave in a fair way during pay setting and adhere to rules of justice when making pay-related decisions as well as when they explain and communicate about such decisions (Colquitt, 2001).

This study focused on managers' ability, motivation, and opportunity, something that can be fostered through adequate HRM practices, which were theorized to help managers be fair during pay setting with their subordinates. The components of the AMO framework were particularly selected because they can be changed, trained, and nurtured. In terms of ability, self-efficacy in one's pay-setting role can be trained as part of leadership development interventions. As the company in this study was very much invested in improving pay-setting systems and all managers received training, the study's findings may highlight the relevance of well-designed trainings for managers that can increase managers' self-efficacy through improving transfer capabilities from training to reality. Similarly, evaluating trainings for managers for pay-setting purposes will give insights about whether these are regarded as sufficient by the managers. As regards motivation, in order to increase managers' outcome expectations of pay setting, it is important to design pay-setting processes that work for all managerial levels. Here, it seems valuable to include managers in the process of designing pay-setting systems. In addition, the relevance of intrinsic motivation for interpersonal justice enactment may also point to examining incentives and hindrances for managers to behave fairly. Regarding opportunity, the availability of social support from experienced colleagues and HR is a resource for many workplace outcomes, and can be fostered through formal processes but also workplace culture, availability of mentorships and networking opportunities.

As the literature review suggested, the pay-setting process is a challenge for many managers, including setting goals, evaluating performance, providing feedback, communicating decisions on pay raises, and holding difficult talks with subordinates. Pay setting is sometimes seen as time-consuming and risks being seen as an extra burden. The goal is that subordinates understand pay-setting decisions and accept them (Han et al., 2015; Lawler, 2000). HRM is designed to help managers in these respects, by providing them with better ability, making them more motivated to perform pay-setting tasks, but also providing them with reasonable opportunities to do this in a good way. This paper outlines which aspects are important when designing HRM processes to support managers in their important work, as well as it highlights that AMO resources help managers be fair during pay setting.

Conclusions

The justice literature is a mature literature (Cropanzano & Ambrose, 2015) and has progressed into studying managers' perspective of justice enactment. As shown in a recent review (Graso et al., 2020), the literature on justice enactment is novel and limited, particularly when it comes to predicting justice enactment with variables not in the vicinity of the subordinate or the personality of the manager. Managers have many different duties, where pay setting is a highly critical HRM task with wide-ranging consequences for the whole organization. In this study, we focused on managerial resources as antecedents of managers' self-reported justice enactment in pay setting. Specifically, we built on the AMO framework and our results suggest that managers' ability, motivation, and opportunity predict justice enactment in the pay-setting context. In this line, we encourage researchers to place additional emphasis on workplace, organizational, and situational predictors of justice enactment.

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Disclosure statement

The authors note no conflicts of interest.

Author contributions

CE had the idea, analyzed the data, and wrote the first draft. All authors discussed the idea and structure of the paper. CE was responsible for revising the manuscript with assistance from HF, JH and MS. SM, HF, JH and MS collected the data. All authors agreed with the final version of the manuscript. MS received the grant that enabled the data collection.

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Data availability statement

The data are not publicly available due to legal restrictions that guarantee the privacy of research participants. Overall statistics on organizational level (means, correlations, without demographics) are available on request from the corresponding author [CE].

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Appendix 1. Measurement of AMO components.

AMO component	Items
Ability	
<i>Self-efficacy in pay-setting role</i>	It is easy to explain to my employees why they are receiving a certain pay increase. I feel secure discussing pay-setting with my employees. I do not have any problems with explaining the reasons behind my pay-related decisions to my employees.
<i>Sufficient training for pay-setting role</i>	I have received sufficient information/training regarding the pay-setting system. I have received the training needed to handle difficult discussions related to pay-setting (e.g. with employees who have not met expectations or set objectives).
Motivation	
<i>Intrinsic motivation</i>	There are many reasons why people have certain jobs. To what extent are these statements true for you? I have my current job because my job is stimulating. ... because my work is interesting. ... because the work is meaningful.
<i>Outcome expectations of pay setting</i>	Because of our pay-setting system, I believe that the employees produce better work results. ... the employees find their work more stimulating and meaningful. ... the employees take on more responsibility at work. ... company operations have improved.
Opportunity	
<i>Social support in pay-setting process</i>	I can always turn to a managerial colleague when I need support and assistance with the pay-setting process. I can always turn to someone at a higher level when I need support and assistance with the pay-setting process. If I have something on my mind about the pay-setting of an employee, there is always somebody I can discuss it with.
<i>Time sufficiency in pay-setting process</i>	I have enough time for judging and setting the pay of my employees.