The Impact of Interactional Fairness in Performance Management on Employee’s Thriving at Work

Fang Lin

School of Economics and Management, Nanjing University of Science and Technology, Nanjing, China

202253924@qq.com

Abstract. In the enterprise context, employees interact daily with a variety of individuals, including managers, colleagues, and subordinates. Interactional fairness directly affects employees' experiences and perceptions in daily interpersonal interactions, thereby influencing the organization's overall performance and competitiveness. Therefore, interactional fairness is the dimension that best reflects employees' perceptions of organizational justice. Performance management is a critical component of enterprise management, encompassing four stages: planning, monitoring, evaluation, and feedback. Performance communication serves as the bridge connecting these stages, and effective performance communication is a key manifestation of interactional fairness. Only when interactional fairness is achieved can performance management maintain a virtuous cycle. Hence, studying interactional fairness within the performance management context is of great significance. Grounded in performance management fairness theory and social exchange theory, this study distributed questionnaires through both online and offline channels and collected sample data from 316 enterprise employees. A research model was constructed involving interactional fairness of performance management, perceived insider status, and thriving at work, aiming to explore the impact of interactional fairness in performance management on employees' thriving at work, and further examine the mediating role of perceived insider status in this relationship. Statistical analyses were conducted using SPSS 23.0, AMOS 24.0, and PROCESS 3.3. The results showed that: (1) interactional fairness of performance management had a significant positive effect on employees' thriving at work; (2) interactional fairness of performance management had a significant positive effect on employees' perceived insider status; (3) employees' perceived insider status positively affected their thriving at work; and (4) perceived insider status partially mediated the relationship between interactional fairness of performance management and employees' thriving at work. These findings provide implications for organizations to foster a fair performance management climate and enhance employees' thriving at work.

Keywords: Performance Management, Interactional Fairness, Thriving at Work, Perceived Insider Status.

1. Introduction

In the fierce market competition, performance management has become an indispensable part of enterprise management. Performance management refers to managing the processes of employee performance planning, coaching, appraisal and feedback, so as to achieve the goal of improving employee quality and organizational performance. However, traditional performance management often overemphasizes result orientation, ignores employees' subjective feelings and emotional needs, and easily leads to employees' dissatisfaction and resistance. At the same time, as employees' expectations for the working environment continue to rise, they not only value material rewards, but also pay more attention to the emotional experience at work, expecting to work in a fair and just environment. Interactional fairness directly affects employees' experience and feelings in daily interpersonal interactions, reflects employees' perception of the fairness of the way managers communicate and interact with them, and has important research value in the field of modern human resource management. The research by Wang Shuhong et al. (2005) shows that employees' perception of their superiors' support at work, whether their superiors fully understand their performance and listen to their opinions before performance appraisal, and whether they get due rewards when they demonstrate excellent performance, will directly affect the degree of respect and attention they feel, thus affecting their sense of interactional fairness [1]. To realize interactional fairness in performance management means that in the processes of performance management, including planning, coaching, appraisal and feedback, employees and managers achieve information symmetry and two-way communication, and the mutual exchanges and interactions between the two sides are just and equal. Therefore, exploring interactional fairness in the specific context of performance management can improve the shortcomings of traditional performance management processes, meet employees' emotional needs, so as to build a more fair performance management system and further promote the overall development of enterprises.

Employees are the important human resources of enterprises. In order to improve the core competitiveness of enterprises and promote the sustained progress of society, how to stimulate and maintain employees' vitality and learning enthusiasm at work has become an urgent problem to be solved. The psychological state of thriving at work reflects employees' positive perception of learning and vitality at work. It is not only the power source for the sustainable development of enterprises, but also an important embodiment of employees' adaptation to the working environment. Therefore, in-depth understanding and mastery of the influence mechanism of thriving at work plays a key role in improving employees' work efficiency and enterprise competitiveness. In Chinese society deeply influenced by Confucian culture, interpersonal relationships are very important. The interaction between employees will not only affect their work emotions and attitudes, but also directly affect their work performance. On the one hand, good interactional fairness can enhance employees' trust and recognition of the performance management process, make them feel that they are treated fairly and respectfully in performance appraisal, and they will be more actively involved in work, have a deeper internal sense of identity with the organization, so as to improve their enthusiasm and engagement, and enhance their thriving at work. On the other hand, the lack of fair interaction in the performance management process may lead to employees' resistance, dissatisfaction and negative emotions, and reduce their work engagement and work performance.

In addition, with the increasingly fierce internal competition in enterprises, employees' sense of organizational identification and loyalty has become more and more important. Perceived insider status refers to the degree to which individuals subjectively perceive themselves as being regarded as a member of the organization they belong to. The level of perceived insider status will affect employees' sense of belonging and loyalty to the organization, and may affect their work attitudes and performance. Therefore, adding perceived insider status as a mediating variable into the research model helps to explore the influence mechanism of interactional fairness on employees' thriving at work more deeply.

This study will start from the current situation of organizational performance management, adopt the empirical research method to investigate the relationship between interactional fairness in performance management and employees' thriving at work, and explore the mediating role of employees' perceived insider status. It is hoped that management implications can be drawn based on the research results, so as to provide reference for enterprises to optimize the performance management system and create a fair performance management atmosphere and organizational atmosphere.

2. Theoretical Foundation

2.1. Fairness Theory of Performance Management

The fairness theory of performance management is an integration of performance management theory and organizational justice theory. It applies the justice theory to the practice of performance management, emphasizing that the principle of fairness should be embodied in every link of performance management. Performance management theory provides a specific context for defining the concept of performance management fairness, making the definition targeted and accurate, while organizational justice theory has significant guiding significance for the division of structural dimensions in the research of performance management fairness.

The concept of performance management was first proposed by Beer M. and Ruh R A (1976), who defined it as "managing, measuring, improving performance and enhancing developmental potential" [2]. At present, the academic community generally recognizes that performance management consists of four processes: the first is performance planning, the second is performance monitoring and coaching, the third is performance appraisal, and the fourth is the feedback and application of performance results. Therefore, this study defines performance management as a comprehensive and cyclic management system constructed by organizational managers and employees working collaboratively, centered on achieving the established organizational goals, covering performance planning, coaching, appraisal, feedback and communication. Chinese scholar Luo Jing (2007) proposed that performance management fairness refers to the fairness perception experienced by employees when their performance is assessed and measured by the enterprise in a specific period [3]. This perception not only reflects the current evaluation process, but also serves as a feedback mechanism to promote the all-round improvement of employees. Zhang Qi, Chen Jin, Li Xiaohong et al. (2009) argued that performance management fairness is the subjective fairness perception of employees or individuals towards the entire performance management process and its outcomes [4]. This perception originates from the comparison behavior between the individual and other referents, and will largely affect their subsequent behaviors and attitudes. Combining performance management theory and the above definitions, this study holds that performance management fairness is employees' perception of fairness in the processes of performance planning, coaching, appraisal and feedback.

Organizational justice is defined as employees' fair perception of various distributions, procedures and interpersonal interactions within the organization. Performance management fairness is a manifestation of organizational justice, and most studies on the fairness theory of performance management are constructed based on organizational justice theory. Therefore, the structural dimensions of the fairness theory of performance management are also divided into distributive justice, procedural justice and interactional fairness.

To sum up, the fairness theory of performance management is a theoretical framework for studying and discussing how to achieve fairness in performance management. It focuses on ensuring the fairness of performance planning, coaching, appraisal and feedback processes, and can be divided into three dimensions: distributive justice emphasizes the fair distribution of rewards in performance management, procedural justice focuses on the fairness of the performance management process itself, and interactional fairness pays attention to the fairness of interpersonal interactions and information transmission in the performance management process. This theory has guiding significance for exploring the connotation of the variable of interactional fairness in performance management.

2.2. Social Exchange Theory

Social exchange theory was first proposed by George Homans in the late 1950s (Muldoon J et al., 2018). It argues that human social activities can essentially be regarded as exchange behaviors, and people tend to provide corresponding returns when they perceive the kindness and favors from others [5].

The reason why people are willing to establish and maintain social exchange relationships is that they expect to obtain certain returns from them. These returns are not always immediate, but more often accumulated over a long period of time, and they take various forms, including external tangible materials and money, as well as internal intangible emotional support, trust and care (Miao Bin, Tu Meng, 2021) [6]. Individuals' social exchange behaviors are affected by relationship quality. When individuals perceive a high-quality relationship with others, they are more inclined to carry out positive social exchanges; otherwise, they may reduce exchange behaviors. In the exchange relationship, both parties should abide by the "reciprocity principle", which is regarded as the core criterion of social exchange relationships (Liu Renjing et al., 2017) [7]. The research of Eisenberger

R et al. (2001) reveals the important role of the reciprocity principle in the relationship between employees and organizations [8]. It points out that when employees perceive the support and care from the organization, they are more inclined to reduce improper behaviors, enhance their emotional identity and loyalty to the organization, and show higher work performance and initiative.

To sum up, social exchange theory is a theory in the fields of sociology and organizational behavior, which can explain the reasons and motivations for individuals to carry out exchange behaviors in social relationships. This theory holds that people will evaluate and choose their own behaviors based on the consideration of costs and benefits in social interactions, thus affecting their behavioral performance in social relationships. Social exchange theory can further explain the interaction between employees and organizations, and provide strong theoretical support for exploring the influence mechanism of interactional fairness in performance management on thriving at work and optimizing performance management.

3. Research Hypotheses and Model Construction

3.1. Hypothesis on the Relationship Between Interactional Fairness in Performance Management and Thriving at Work

According to the fairness theory of performance management, employees' fairness perception of performance management will affect their work attitudes and behaviors. Interactional fairness in performance management includes interpersonal fairness and informational fairness. Interpersonal fairness refers to employees' perception of being treated fairly by others, covering the interactions with colleagues and the relationship with leaders. In a performance management environment with high interpersonal fairness, employees feel respected, which is conducive to building a positive working atmosphere and enhancing their thriving at work. Informational fairness refers to employees' equal access to performance management-related information, including work plans and performance evaluation criteria. When employees perceive that they have sufficient transparent and fair information to complete their work, they are more willing to devote themselves to work and enhance their thriving at work. According to social exchange theory, people tend to follow the reciprocity principle in exchanges. In the context of performance management, if employees perceive interactional fairness-that is, they are treated fairly and equally, and receive due recognition and rewards-they tend to repay the organization with higher work enthusiasm and engagement, thus enhancing their thriving at work.

The research of Meng Fanrong, Wu Jiannan and Zhang Lei (2010) shows that performance management fairness has a significant impact on employees' emotional intelligence [9]. It argues that organizations can promote employees to generate positive emotions by realizing performance management fairness, so that employees can adopt positive attitudes and behaviors at work, such as thriving at work. Ma Li and Huang Jiacheng (2023) believe that a fair organizational atmosphere enables efficient and unobstructed communication between enterprise employees and managers, where ideas and information from both sides can be conveyed in a timely manner [10]. In this case, employees are more likely to generate positive emotions, have a higher sense of responsibility, and thus improve their thriving at work. According to the conservation of resources theory, people will actively maintain and defend the resources they have obtained, and continuously seek to create new resources. Therefore, when individuals acquire resources in the working environment, their vitality and enthusiasm at work will be enhanced (Zhang Guiping et al., 2021) [11]. As a two-way interaction mechanism in performance management, interactional fairness requires managers not only to provide employees with space for learning and growth, but also to give timely and fair feedback on their efforts and achievements. When employees perceive such fair treatment, their work enthusiasm and learning motivation will be significantly improved, and then they will show higher vitality and creativity at work. Therefore, this study puts forward the following hypothesis:

Hypothesis 1: Interactional fairness in performance management has a significant positive impact on employees' thriving at work.

3.2. Hypothesis on the Relationship Between Interactional Fairness in Performance Management and Perceived Insider Status

Social exchange theory advocates that people pursue the maximization of their own interests in social interactions, and achieve this goal through exchanges with others. In the context of performance management, there is also an exchange-based relationship between employees and organizations. When the organization implements the principle of interactional fairness in performance management, employees perceive the respect and fair treatment from organizational managers, their emotional needs are satisfied, and they tend to follow the reciprocity principle in exchanges, thus improving their perceived insider status.

Sun Meijia and Cui Xun (2013) argue that interpersonal fairness affects interpersonal trust [12]. When employees are in an organization with a fair atmosphere, high organizational trust will prompt employees to regard themselves as an indispensable part of the organization more strongly, thus showing higher perceived insider status. The research of Tu Xingyong et al. (2017) shows that when individuals are in a predictable and fair organizational environment, they will feel that they are accepted by the organization, and their perceived insider status will be improved [13]. Ma Li and Huang Jiacheng (2023) hold that the interactional fairness atmosphere focuses on whether employees are treated with respect and sincerity by managers [10]. In the positive interaction process, a pleasant and joyful atmosphere can be created between employees and managers, information flow can be realized smoothly, and employees' sense of belonging can be enhanced. Liu Xinmei et al. (2024) believe that interactional fairness not only reflects the communication process between people, but also conveys the position and importance of individuals in the group [14]. When members perceive that the organization treats them fairly and obtain positive information and feedback from the group, it indicates that they occupy a certain position in the organization, thus enhancing their sense of identity with the organization and improving their perceived insider status. Creating a performance management environment with interactional fairness can promote employees' perceived insider status, and enhance their organizational identity and sense of self-worth. Thus, it can be inferred that:

Hypothesis 2: Interactional fairness in performance management has a significant positive impact on employees' perceived insider status.

3.3. Hypothesis on the Relationship Between Perceived Insider Status and Thriving at Work

According to social exchange theory, people will weigh costs and benefits in exchange interactions to determine their behaviors, and this trade-off will affect their performance in social interactions. When employees feel that they are part of the organization, they will feel obligated to repay the organization, so that they will actively learn various knowledge and skills and maintain high enthusiasm at work.

The research of Zhao Huijun and Yan Yanping (2016) finds that when employees consider themselves as a member of the organization, they will put the interests of the organization above their personal interests, have a strong sense of belonging to the organization, and are more inclined to take the initiative to make efforts, thus generating positive attitudes and actions [15]. The study of Dou Yunlai and Shen Yimo (2021) shows that when the perceived insider status is high, it will stimulate employees' work vitality, enhance their sense of pride in work, generate positive energy, and improve their thriving at work [16]. Based on social exchange theory, Ran Yuehan (2022) argues that if a relationship of mutual respect and identity can be established between managers and employees, it can go beyond the simple exchange of economic benefits and reach a deeper level of emotional communication [17]. Therefore, employees with strong perceived insider status will feel that they play a pivotal role in the organization. This self-perception can greatly stimulate their enthusiasm for work, and prompt them to actively learn and improve themselves. When employees have a positive identity and sense of recognition of their role and status in the organization, they are more likely to show learning and vitality behaviors. Accordingly, this study proposes:

Hypothesis 3: Employees' perceived insider status has a significant positive impact on their thriving at work.

3.4. Hypothesis on the Mediating Role of Perceived Insider Status

Lin Xinqi and Ding He (2017) define the mediating variable perceived insider status as the degree of employees' recognition of the attention and trust given by the organization, as well as the personal development platform and space provided by the organization [18]. The realization of interactional fairness in performance management means that the organization pays more attention to employees' subjective feelings, respects and trusts employees more, and makes employees feel that they are part of the organization. Chao Xiaojing and Gong Shumei (2022) believe that as employees continuously receive care, support and encouragement from managers, they will continuously conduct self-processing, self-suggestion and self-reinforcement, and classify themselves into the "insider" sequence of the organization [19]. With the enhancement of perceived insider status, they will continuously generate a sense of ownership and positive behaviors, and regard themselves and the organization as a community with a shared future. Individuals with high perceived insider status will understand, identify with and support the goals of the organization better. A fair performance management environment is an important antecedent variable affecting employees' perceived insider status, and perceived insider status is also an important factor affecting employees' work status and behavioral performance. When employees perceive interactional fairness in performance management, they are more likely to regard themselves as a member of the organization, enhance their perceived insider status, so that they will have more enthusiasm for learning and work vitality. Accordingly, this study proposes:

Hypothesis 4: Employees' perceived insider status plays a mediating role between interactional fairness in performance management and employees' thriving at work.

3.5. Model Construction

This study defines interactional fairness in performance management as employees' fairness perception of managers' interactive attitudes and communication methods in the organizational performance management process, which is divided into two dimensions: interpersonal fairness and informational fairness. For the concept of perceived insider status, this study adopts the statement of Stamper and Masterson (2002), that is, employees' subjective cognition and evaluation of their sense of belonging, status and personal space within the organization [20]. For the definition of thriving at work, this study adopts the concept explained by foreign scholar Spreitzer et al. (2005): thriving at work is a psychological state in which employees can experience both vitality and learning at the same time at work, which is divided into two dimensions: learning and vitality [21]. The learning dimension refers to employees' perception of gaining competence and confidence by acquiring knowledge and mastering skills, while the vitality dimension refers to the energy and enthusiasm that employees feel at work. Based on the above research hypotheses, this study takes employees' gender, age, education level, working years, position level and unit nature as control variables, interactional fairness in performance management as the independent variable, thriving at work as the dependent variable, and perceived insider status as the mediating variable, to establish a theoretical hypothesis model, as shown in Figure 1.

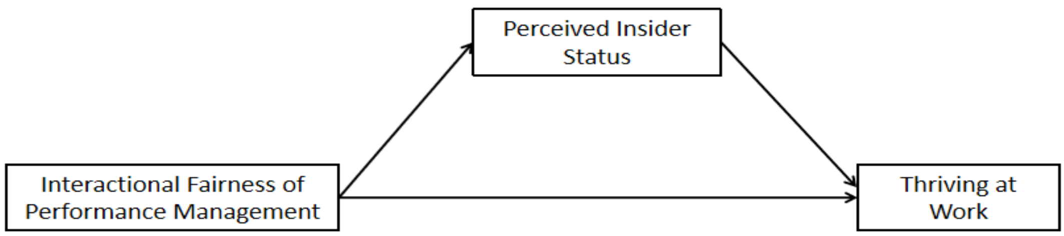

Figure 1. Theoretical Research Model

4. Research Methods

4.1. Research Samples

The survey respondents of this study are primarily enterprise employees who hold a clear perception of interactional fairness in organizational performance management, their own perceived insider status, and their personal work state. Data collection via questionnaires was conducted from March 11, 2024 to March 31, 2024. The survey adopts a hybrid approach dominated by online distribution and supplemented by offline field investigation: on-site samples are mainly collected from enterprises and public institutions in Nanjing, where employees fill out questionnaires on the spot and completed copies are retrieved immediately; online data collection is carried out through the Questionnaire Star platform, with respondents primarily sourced from Jiangsu, Henan, Shandong, Guangdong and other regions across China. A total of 443 questionnaires were returned in this survey. To guarantee the objectivity and authenticity of the acquired data, unqualified responses were eliminated, including those completed in less than 40 seconds, those with incomplete or randomly filled information, those with nearly identical or obviously patterned responses across all items, and those with logically inconsistent answers to reverse-scored items. This screening process removed 127 invalid questionnaires, resulting in 316 valid responses and an effective response rate of 71.33%.

The demographic characteristics of the valid samples are distributed as follows: males account for 44.3% and females account for 55.7%, presenting a relatively balanced gender structure. In terms of age, respondents aged 35 and below make up 70.9%, indicating that the survey subjects are predominantly young working groups. Regarding educational attainment, respondents with a junior college degree or below account for 23.7%, those with a bachelor's degree account for 64.2%, and those with a master's degree or above account for 12%, reflecting an overall high educational level of the sample pool. In terms of tenure, employees with 2 years or less of working experience take up 28.2%, those with 3 to 5 years of experience account for 43%, and those with 6 years or more of experience account for 28.8%. For job hierarchy, frontline ordinary employees account for the largest proportion at 47.5%. In terms of organizational ownership, employees from state-owned enterprises make up 36.7%, those from private enterprises account for 46.5%, and those from other types of organizations account for 16.8%. The above statistical results demonstrate that most samples are young ordinary employees with a bachelor's degree and relatively short tenure, coming from organizations of diverse ownership types and occupying positions across different hierarchy levels. The diversified sample characteristics ensure the generalizability of the research conclusions.

4.2. Variable Measurement

This study selected classic scales from top-tier academic journals as measurement tools and made appropriate modifications to them. All scales in this study employed a 5-point Likert-type scoring method, ranging from 1 to 5, from "strongly disagree" to "strongly agree."

Interactional Fairness of Performance Management: This study drew upon the Performance Management Scale for Chinese organizations developed by Wang Shuhong (2003) [22] and the Performance Appraisal Fairness Perception Scale developed by Luo Jing (2007) [3], and conducted self-designed revisions. Items capable of measuring interpersonal fairness and informational fairness were selected from the two established scales. Each dimension encompasses the four stages of performance management—planning, coaching, appraisal, and feedback—to holistically measure interactional fairness in performance management. The final scale was named the Performance Management Interactional Fairness Scale, with four items each for interpersonal fairness and informational fairness. In this study, the internal consistency reliability of this scale was 0.843.

Thriving at Work: This study adopted the Thriving at Work Scale developed by Porath (2012) [23]. This scale consists of two main subdimensions: the learning dimension and the vitality dimension, each containing five items, with one reverse-scored item per subdimension. In this study, the internal consistency reliability of this scale was 0.895.

Perceived Insider Status: This study employed the Perceived Insider Status Scale developed by Stamper and Masterson (2002) [20]. This scale is a unidimensional assessment tool comprising six items, with three reverse-scored questions. In this study, the internal consistency reliability of this scale was 0.914.

Control Variables: This study included demographic characteristics such as employee gender, age, educational level, tenure, job position level, and type of organization as control variables.

5. Data Analysis and Hypothesis Testing

5.1. Confirmatory Factor Analysis

This study employed AMOS 24.0 software to conduct confirmatory factor analysis on the three latent variables—interactional fairness of performance management, thriving at work, and perceived insider status. As shown in Table 1, the three-factor model demonstrated the most satisfactory fit indices ($\chi2$ = 456.452, df = 246, $\chi2$/df = 1.855, RMSEA = 0.052, GFI = 0.903, TLI = 0.946, CFI = 0.946), and the competing models exhibited significantly poorer fit than the three-factor model. Therefore, the three variables involved in this study possessed good discriminant validity.

Table 1. Confirmatory Factor Analysis

Mode	$\chi2$	df	$\chi2$/df	RMSEA	GFI	TLI	CFI
three-factor model (PMIF;PIS;TAW)	456.452	246	1.855	0.052	0.903	0.946	0.946
two-factor model (PMIF+PIS;TAW)	900.223	251	3.587	0.091	0.759	0.835	0.834
two-factor model (PMIF;PIS+TAW)	1059.310	251	4.220	0.101	0.710	0.794	0.793
one-factor model (PMIF+PIS+TAW)	1244.697	252	4.939	0.112	0.679	0.747	0.745

5.2. Descriptive Statistics and Correlation Analysis of Variables

The mean, standard deviation, and correlation coefficients for each variable are presented in Table 2. Interactional fairness of performance management was significantly positively correlated with thriving at work (r = 0.625, $p < 0.001$). Interactional fairness of performance management was significantly positively correlated with perceived insider status (r = 0.619, $p < 0.001$). Perceived insider status was significantly positively correlated with thriving at work (r = 0.625, $p < 0.001$).

Table 2. Means, standard deviations, and Pearson correlation coefficients of the variables in the research model (N = 316)

Variables	1	2	3	4	5	6	7	8	9
1.Gender									
2.Age	-0.209***								
3.Educational level	0.216***	-0.066							
4.Tenure	-0.234***	0.829***	-0.135*						
5.Job position	-0.145*	0.534***	0.234***	0.518***					
6.Type of organization	-0.017	-0.156**	-0.088	-0.189**	-0.234***				
7.Interactional fairness of performance management	0.068	0.102	0.273***	0.094	0.210***	-0.1			
8.Thriving at work	0.072	0.098	0.335**	0.094	0.238***	-0.220***	0.625***		
9.Perceived insider status	0.127*	0.111*	0.320***	0.123*	0.274***	-0.237***	0.619***	0.625***	
Mean	1.557	2.073	2.797	2.117	1.791	1.801	3.453	3.478	3.542
Standard deviation	0.498	0.85	0.758	0.944	0.888	0.705	0.812	0.802	0.942

5.3. Hypothesis Testing

5.3.1. Main Effect Test of the Impact of Interactional Fairness of Performance Management on Thriving at Work

As shown in Table 3, Model 1 analyzed the effects of demographic variables—including gender, age, educational level, tenure, job position level, and type of organization—on the dependent variable, thriving at work. The R^2 value was 0.167, indicating that the control variables explained 16.7% of the variance in employees' thriving at work. On the basis of Model 1, the variable of interactional fairness of performance management was introduced, forming Model 2. The F-value of Model 2 increased to 35.199, reaching a significance level of $p < 0.001$, and the model's explanatory power for employees' thriving at work was significantly enhanced, with an increase of 27.7%. Interactional fairness of performance management had a significant positive effect on employees' thriving at work ($\beta = 0.556$, $p < 0.001$). Therefore, Hypothesis 1 was supported.

Table 3. Regression analysis results of thriving at work on interactional fairness of performance management

Variables	Dependent variable: Thriving at work	
	Model1	Model2
Control Variables		
Gender	0.034	0.008
Age	-0.015	-0.017
Educational level	0.297***	0.162**
Tenure	0.068	0.031
Job position	0.109	0.046
Type of organization	-0.157**	-0.136**
Independent variable		
Interactional fairness of performance management		0.556***
R^2	0.167	0.444
Adjusted R^2	0.151	0.432
F	10.355***	35.199***

5.3.2. Hypothesis Test of the Impact of Interactional Fairness of Performance Management on Perceived Insider Status

The relationship between interactional fairness of performance management and perceived insider status is presented in Table 4. Model 1 examined how control variables influenced the dependent variable, perceived insider status, with an R^2 value of 0.186, indicating that these control variables collectively explained 18.6% of the variance in employees' perceived insider status. On the basis of the control variables, Model 2 incorporated the independent variable of interactional fairness of performance management. The results showed that the inclusion of interactional fairness of performance management significantly improved the model's explanatory power, with R^2 increasing from 0.186 to 0.450, representing an increase of 26.4%. The adjusted R^2 was 0.437, indicating that the model still explained perceived insider status well after ruling out other confounding factors. The overall model F-value was 35.988, reaching a significance level of $p < 0.001$. Interactional fairness of performance management had a significant positive effect on perceived insider status ($\beta = 0.542$, $p < 0.001$). Therefore, Hypothesis 2 was supported.

Table 4. Regression analysis results of perceived insider status on interactional fairness of performance management

Variables	Dependent variable: Perceived insider status	
	Model1	Model2
Control Variables		
Gender	0.107*	0.081
Age	-0.057	-0.060
Educational level	0.256***	0.125*
Tenure	0.115	0.079
Job position	0.163*	0.101
Type of organization	-0.161**	-0.141**
Independent variable		
Interactional fairness of performance management		0.542***
R^2	0.186	0.450
Adjusted R^2	0.171	0.437
F	11.800***	35.988***

5.3.3. Hypothesis Test of the Impact of Perceived Insider Status on Thriving at Work

Table 5 presents the regression analysis results of the impact of perceived insider status on thriving at work. In constructing Model 1, thriving at work was selected as the dependent variable, and multiple control variables—including gender, age, educational level, tenure, job position level, and type of organization—were incorporated. The regression analysis revealed that these control variables jointly explained 16.7% of the variance in employees' thriving at work, with an overall F-value of 10.355 for Model 1. On the basis of Model 1, the key independent variable of perceived insider status was introduced to construct Model 2. The R^2 of the regression equation for Model 2 reached 0.418, with an adjusted R^2 of 0.405, further confirming the validity and stability of the model. The overall regression model F-value was 31.581, reaching a significance level of $p < 0.001$. Perceived insider status had a significant positive effect on the learning dimension of thriving at work ($\beta = 0.555$, $p < 0.001$). Therefore, Hypothesis 3 was supported.

Table 5. Regression analysis results of thriving at work on perceived insider status

Variables	Dependent variable: Thriving at work	
	Model1	Model2
Control Variables		
Gender	0.034	-0.025
Age	-0.015	0.017
Educational level	0.297***	0.154**
Tenure	0.068	0.004
Job position	0.109	0.019
Type of organization	-0.157**	-0.067
Independent variable		
Perceived insider status		0.555***
R^2	0.167	0.418
Adjusted R^2	0.151	0.405
F	10.355***	31.581***

5.3.4. Mediation Effect Test of Perceived Insider Status

This study employed the Bootstrap method to test the mediation effect, with 5,000 random resampling iterations. The mediation effect of perceived insider status in the relationship between interactional fairness of performance management and thriving at work was examined using Model 4 in the PROCESS 3.3 macro. The specific results are presented in Table 6.

As shown in Table 6, the 95% confidence interval for the indirect effect was [0.096, 0.261], which did not contain zero, indicating that the mediation effect of perceived insider status in the relationship between interactional fairness of performance management and thriving at work was significant. The 95% confidence interval for the direct effect was [0.272, 0.473], which also did not contain zero, suggesting that after controlling for the effect of the mediator variable (perceived insider status) on the dependent variable (thriving at work), the effect of the independent variable (interactional fairness of performance management) on the dependent variable remained significant. This indicates that perceived insider status played a partial mediating role in the impact of interactional fairness of performance management on thriving at work. Therefore, Hypothesis 4 was supported.

Table 6. PROCESS analysis results of the mediating effect of perceived insider status

Effect type	Effect value	Boot SE	95% CI		Effect proportion
Total effect	0.549	0.044	0.462	0.636	
Direct effect	0.373	0.051	0.272	0.473	67.94%
Indirect effect	0.176	0.042	0.096	0.261	32.06%

6. Summary

First, this study applies performance management fairness theory to actual enterprise management contexts, with a particular focus on the dimension of interactional fairness, and explores its specific role in performance management. Through empirical research, this study verifies the significant effect of interactional fairness on employees' thriving at work, thereby enriching the content of performance management fairness theory. Second, drawing upon social exchange theory, this study explains how employees, upon perceiving interactional fairness in performance management, reciprocate the organization with higher work enthusiasm and engagement. This not only validates the applicability of social exchange theory in the field of organizational management but also further expands its scope of application, providing a new perspective for understanding the exchange relationship between employees and organizations. Finally, by introducing perceived insider status as a mediating variable, this study delves into the mechanism through which interactional fairness of performance management affects employees' thriving at work. The results indicate that perceived insider status plays a partial mediating role between interactional fairness of performance management and thriving at work, which contributes to a more comprehensive understanding of how employees' perceptions of organizational fairness translate into positive work attitudes and behaviors.

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