

PERCEIVED FORGIVENESS CLIMATE AND PUNISHMENT DECISION-MAKING

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ABSTRACT

There has been scant research on how perceptions of the organizational context influence punishment decision-making. This study examines the effect of a disciplinary agent's *perceived forgiveness climate* on punishment in response to ethical misconduct. Results suggest that when an experience of being forgiven is salient to a disciplinary agent and when there are mitigating circumstances surrounding the ethical misconduct, higher perceived forgiveness climate is associated with a lower level of punitive intent. The results also suggest a positive relationship between perceived forgiveness climate and punitive intent when an experience of being unforgiven is salient to the disciplinary decision-maker.

Keywords: Perceived forgiveness climate, punishment decision-making

INTRODUCTION

Managers find themselves in situations where they have to impose a punishment of some form on a subordinate, ranging from a private rebuke or unofficial verbal warning, to a very public reprimand or even termination [1]. Although there has been substantial research on the effect of formal aspects of the organizational context, such as written policies and procedures, on punishment decisions in the workplace [2], there has been scant research on the influence of *perceptions* of the organizational context. Given that workplace punishment decisions do not always reflect formal guidelines for punishment established by the organization [3], perceptions of the organizational context are arguably more proximal than objective aspects of such context in explaining individual employee decision-making and behavior [4], including the imposition of punishment. This study examines whether and under what conditions an individual's decision to punish employee ethical misconduct is shaped by *perceived forgiveness climate*, defined as the degree to which an individual believes that the organization accepts that mistakes and offenses happen at work, and that grudges are not held against the employee making the offense [5]. The individual tasked with the punishment decision will be referred to as the *disciplinary agent*, while the decision outcome of interest is the agent's punishment intentions, referred to as *punitive intent*.

THEORETICAL FOUNDATIONS

Perceived forgiveness climate is likely to lead to less severe punishment decisions in response to ethical misconduct mainly because perceptions about the organizational environment readily serve as rules of thumb (heuristics) that shape individual judgment and behavior [6]. Because punishment decision-making necessarily involves judgment under incomplete information (e.g., regarding an offender's intentions or the repercussions of a punishment decision [7]), workplace disciplinary agents rely on heuristics to simplify the process [8]. Perceived forgiveness climate is one such heuristic, providing a reference, albeit qualitative, as to how individuals who have committed an offense are supposed to be treated by organizational members. When perceived forgiveness climate is high, the disciplinary agent perceives the organization to be more forgiving and will tend to think in terms of minimizing blame and

negativity towards an offending employee. On the other hand, when perceived forgiveness climate is low, the disciplinary agent will tend to think more in terms of holding a transgressor accountable and emphasizing the (negative) repercussions of an offense. Therefore,

H1: *Perceived forgiveness climate will be negatively related to punitive intent in response to ethical misconduct.*

This relationship between perceived forgiveness climate and punitive intent is likely to be moderated by two factors: the disciplinary agent's salient transgression experience and mitigating circumstances surrounding the ethical misconduct. The disciplinary agent's salient experience of being unforgiven for a transgression is an affective event [9]; as such, it generates emotional reactions that can influence a subsequent process of imposing punishment on another [10]. First, when a disciplinary agent has a salient experience of being unforgiven, the moral emotion of guilt is triggered [11]. This emotion motivates the unforgiven disciplinary agent to compensate for the negative consequences of her actions by undertaking some positive action, such as being more compliant with formal rules in the workplace, including those that specify punishment of ethical misconduct [12]. Secondly, a salient experience of being unforgiven also generates resentment and anger [13], which tends to be redirected toward others through various means [11]. The decision to punish another individual for ethical misconduct is one such means, likely to be seen by the disciplinary agent as an outlet for expressing anger and negative emotions [14]. Effectively, perceived forgiveness climate is unlikely to influence punitive intent, when the experience salient to the disciplinary agent is one of being unforgiven.

Analogously, when a disciplinary agent experiences being forgiven while perceiving the organizational climate to be unforgiving, such an experience is likely to reduce feelings of guilt on the part of the agent, but does not completely eliminate these guilty feelings [15]. These feelings of guilt are likely to make the agent still committed to normative behavior, including upholding standards and punishing ethical misconduct. Therefore, confronted with the decision to punish an individual guilty of ethical misconduct, a disciplinary agent who has experienced being forgiven may be inclined to punish an individual to the same extent as an unforgiven individual, given a low perceived forgiveness climate. Thus, the relationship between perceived forgiveness climate and punitive intent will still be negative, as predicted in H1, when the disciplinary agent's salient transgression experience is one of being forgiven. More formally,

H2: *A disciplinary agent's salient transgression experience will moderate the relationship between perceived forgiveness climate and punitive intent, such that perceived forgiveness climate and punitive intent will be unrelated when the agent's salient experience is one of being unforgiven, but will still be negative when the agent's experience is one of being forgiven.*

Finally, the existence of mitigating circumstances, which are facts or conditions that offer some justification and reduced perceived responsibility of the transgressor for the punishable behavior [16], also likely plays a moderating role. When there is evidence of mitigating circumstances, disciplinary agents are more likely to perceive transgressors as being less responsible for the ethical misconduct. Consequently, these agents will experience sympathy for the transgressor and will tend to punish less severely [17]. But above and beyond this main effect, the existence of evidence of mitigating circumstances means that the disciplinary agent will have one additional (and arguably, more relevant) basis to rely on in making the punishment decision, aside from perceived forgiveness climate. Consequently, the heuristic influence of perceived forgiveness climate on punitive intent is diluted and attenuated. In other words,

H3: *Evidence of mitigating circumstances will moderate the relationship between perceived forgiveness climate and punitive intent, such that the negative relationship will be weaker when there is evidence of mitigating circumstances than when there is none.*

METHOD

167 working individuals participated in this study and were randomly assigned to one of four conditions of the 2 (salient transgression experience: unforgiven/forgiven) x 2 (mitigating circumstances: present/absent) experimental design. Depending on their salient transgression experience condition, they were asked to recall a work-related experience in which they were either forgiven or not forgiven for a transgression they had committed, and summarize their experience in a few sentences on a space provided in the paper-based questionnaire. Next, they were provided with a scenario depicting ethical misconduct [18], with mitigating circumstances present or absent, depending on their assigned condition. They were then asked to imagine that the ethical misconduct was carried out in their work organization and to indicate their punitive intent using two measures. One was a 3-item scale with a 7-point response format, indicating their *intent to punish* (“If I were Steve’s manager, I would punish him severely,” as a sample item), and the other, a single-item scale of a *proposed sanction*, using a 9-point response format ranging from “no suspension” (coded as 1) to “termination” (coded as 9). Finally, participants completed scales that measured demographic characteristics, a number of potential covariates, and their perceived forgiveness climate in their respective work organizations.

RESULTS

Two separate moderated multiple regression models were used to examine the effects of perceived forgiveness climate, salient transgression experience, mitigating circumstances, and relevant covariates, on each of the two dependent measures. There was a non-significant relationship between perceived forgiveness climate and intention to punish ($\beta = .11$, $p > .10$), as well as a non-significant relationship between perceived forgiveness climate and proposed sanction ($\beta = .03$, $p > .10$). Thus, H1 was not supported using either dependent measure.

When the dependent measure was intent to punish, there was a statistically significant three-way interaction among perceived forgiveness climate, salient transgression experience, and mitigating circumstances ($\beta = .18$, $p < .05$; $\Delta R^2 = .03$, $\Delta F_{(1,158)} = 6.13$, $p < .05$). Accordingly, the two-way interaction of perceived forgiveness climate and salient transgression experience was analyzed for each level of the mitigating circumstances condition. For participants assigned to the mitigating circumstances *absent* condition, there was no statistically significant interaction between perceived forgiveness climate and salient transgression experience ($\beta = .01$, $t = 0.11$, $p > .10$), while there was, for participants assigned to the mitigating circumstances *present* condition ($\beta = .37$, $t = 3.57$, $p < .01$). A simple slopes analysis of this latter interaction indicates that there was a statistically significant negative relationship between perceived forgiveness climate and intention to punish (simple slope = -0.38 , $t = -2.47$, $p < .05$) among participants assigned to the *forgiven* salient transgression experience condition, consistent with H2. However, there was a statistically significant *positive* relationship between perceived forgiveness climate and intention to punish (simple slope = 0.63 , $t = 3.83$, $p < .001$) among participants for whom an *unforgiven* transgression experience was salient, contrary to H2. Thus, H2 was partially supported.

When the dependent measure was proposed sanction, there was a statistically significant two-way interaction effect of perceived forgiveness climate and salient transgression experience ($\beta = .17$, $t = 2.20$, $p < .05$). A simple slopes analysis indicated a non-statistically significant relationship between perceived forgiveness climate and proposed sanction when the salient transgression experience was one of being *forgiven* (simple slope = -0.28 , $t = -1.14$, $p > .10$) and a statistically significant *positive* relationship between perceived forgiveness climate and proposed sanction among participants for whom an *unforgiven* transgression experience was salient (simple slope = 0.47 , $t = 2.06$, $p < .05$), both of which did not support H2.

Finally, the interaction between perceived forgiveness climate and mitigating circumstances was not statistically significant for both intent to punish ($\beta = -.02$, $t = -0.21$, $p > .10$) and proposed sanctions ($\beta = .02$, $t = 0.25$, $p > .10$). Thus, H3 was not supported.

DISCUSSION AND SUMMARY

The purpose of this study was to examine the relationship between perceived forgiveness climate and punishment decision-making, in response to ethical misconduct. The results suggest that perceived forgiveness climate is unrelated with punitive intent, operationalized either as intention to punish or proposed sanction. However, when an experience of being forgiven is salient to a disciplinary agent *and* when there are mitigating circumstances surrounding the ethical misconduct, higher perceived forgiveness climate is associated with a lower level of punishment intention towards an employee guilty of ethical misconduct. Surprisingly, the results also suggest that when an experience of being unforgiven is salient to a disciplinary decision-making, the relationship between perceived forgiveness climate and punitive intent is actually positive (i.e., the more a disciplinary agent perceives her organization as forgiving, the higher the levels of intention to punish and the more severe the proposed sanctions are). These findings suggest a more nuanced relationship between perceived forgiveness climate and punitive intent that deserves attention in future research.

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