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Effects of organizational communication on employee perceptions during organizational change

James Kelly Doran

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EFFECTS OF ORGANIZATIONAL COMMUNICATION
ON EMPLOYEE PERCEPTIONS DURING
ORGANIZATIONAL CHANGE

A Thesis
Presented to the
Faculty of
California State University,
San Bernardino

In Partial Fulfillment
of the Requirements for the Degree
Master of Science
in
Psychology:
Industrial/Organizational

by
James Kelly Doran
June 2008
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ABSTRACT

This research study examines the effects of organizational communication, a sub-dimensional construct on employee outcomes. In order to better understand organizational communication, several dimensions were investigated: timeliness of communication, reliability of communication, and comprehensiveness of communication. It was proposed that organizational communication as indicated by timelines, reliability, and comprehensiveness of communication would predict the employee outcomes of intention to leave, job insecurity, and organizational cynicism in a negative direction. It was also hypothesized that the relationship between dimensions of organizational communication and intention to leave, job insecurity, and organizational cynicism would be mediated by procedural justice. Participants, representing employees from several customer service organizations in Southern California experiencing organizational change, completed a questionnaire consisting of multiple measurements in the areas of interest. The hypothesized model was tested using path analysis in EQS. Additionally, data was collected using correlation and regression analyses in SPSS. The results indicated negative relationships between
organizational communication and the employee outcomes of job insecurity and organizational cynicism. However, the negative relationship with intention to leave was not supported. In addition, procedural justice was found to be a mediator for intention to leave and job insecurity; yet, no support was found for organizational cynicism. The study’s limitations and implications for future research and application in a corporate setting are discussed.
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CHAPTER ONE
INTRODUCTION

In many American organizations, strategies such as organizational re-engineering, mergers, acquisitions, and downsizing have been popular in contending with global competition. Because of these changes in the business world, communication has become more important within organizations. Employees need information communicated quickly, candidly, and comprehensively to meet their needs and the needs of the organization. Over the last several years, organizational communication has changed drastically; some believe that organizations need to provide their employees with as much information as possible (Foltz, 1985), while others believe that too much information is counterproductive (O'Reilly 1980). In addition, employees are now relying on different channels of communication; informal networks now have as much power as formal communication networks (Crampton, Hodge, and Mishra 1998). These inconsistencies may be due to a lack of empirical work and construct development of organizational communication adding to the need to identify the dimensions of organizational communication.
If communication efforts fail during organizational change efforts, several employee perceptions may be affected; examples include: organizational cynicism (Reichers, Wanous, & Austin, 1997), organizational commitment and intention to leave the organization. This study will identify several sub-dimensions of organizational communication and look at the effects of organizational communication during times of organizational change on employee perception outcomes of intentions to leave, organizational cynicism, and job insecurity. The project will also explore the mediating effects of procedural justice on this relationship.

A survey performed by the Bureau of National Affairs (1996) found that organizational change was a major concern for more than a third of the 396 organizations that participated in the study. The survey indicated that employees were facing greater changes in their work environments than ever before. This inference holds true some ten years later. In addition, research has measured employee responses to major organizational changes such as mergers and acquisitions (Buono & Bowditch, 1989; Schweiger & DeNisi, 1991, Ivancevich, Schweiger, & Power, 1987) and downsizings (Brockner, 1988 and Cascio, 1993). Their
findings emphasized the negative effects these organizational changes have had on employees, ranging from job insecurity (Ashford, Lee & Bobko, 1989) to decreased job satisfaction, trust in the company, intention to remain, organizational commitment (Schweiger & DeNisi, 1991), and increased organizational cynicism (Wanous, Reichers & Austin, 1994).

Large Scale Organizational Change

Over the past several decades, it has been quite easy to find examples of large-scale organizational change (LSOC). The Bureau of Labor Statistics (BLS) reported that the total number of mass layoffs in 2007 reached 15,493 events with approximately 1.6 million claimants (those affected by said layoffs). The BLS indicated that the largest layoffs occurred in the insurance and financial industries. These layoffs trickled down to related industries such as real estate credit, commercial banking, and mortgage and nonmortgage lending (Mass Layoffs Summary, 2008). When large companies such as General Motors, AT&T, and Kodak find that they are unable to compete in their markets, they implement a wide range of strategic and structural changes (Ledford, Mohrman, Mohrman, & Lawler,
1989). When reviewing the literature on organizational change, one can see that the field is still in its early stages of theoretical and empirical development with regard to the outcomes of change. Unfortunately, there is "no one, all-embracing, widely accepted theory of organizational change and no agreed guidelines for action by change agents" (Dunphy, 1996, p.541). Such efforts "require changes that encompass the entire organization, have occurred over a number of years, and involve fundamental modifications in ways of thinking about business, the organization, and how the organization is managed" (Nadler, 1988, p.67). Yet, despite the organizational change trends, our understanding of their full effects on organizations and employees are limited (Buono, Bowditch, and Lewis, III, 1985).

Like many organizational constructs, "organizational change" has many definitions. Several authors have defined LSOC as a lasting change in the personality of an organization that changes its performance dramatically (Ledford et al., 1989). A change in organizational character could involve changes in the input and output of goods and services, or changes in the practices of those in
human resources. While operationalizing organizational change, Burke and Litwin (1987) wrote:

Organizational change is a kind of chaos. The number of variables changing at the same time, the magnitude of environmental changes, and the frequent resistance of human systems create a whole confluence of processes that are extremely difficult to predict and almost impossible to control. (p.523)

We should realize that change within organizations is inevitable: it is a constant phenomenon, which should be anticipated and controlled as much as possible (Saal & Knight, 1995). Unfortunately, change takes many forms and presents an organization with many challenges.

One change process is organizational downsizing: the cutback of personnel within an organization. In the competitive world today, downsizing has been feared by many employees and corporate executives alike. Downsizing is defined as, "a set of activities, undertaken on the part of management of an organization, designed to improve organizational efficiency, productivity, and/or
effectiveness" (Freeman & Cameron, 1993, p.12). According to a study by Applebaum, Simpson, and Shapiro (1987), "downsizing is the systematic reduction of a workforce by an employer... usually as a result of such developments as financial losses, cashflow difficulties, and technological changes." The authors note that hiring freezes, early retirement, transfers, and terminations are usually the actions used in downsizing processes. Most research in the area of downsizing has been prescriptive and subjective, concentrating on implementation plans and organizational policies and procedures (Tombaugh & White, 1990).

Other forms of organizational change are mergers and acquisitions. Although corporate mergers and acquisitions have become part of American commerce, it is only recently that researchers and practitioners have become concerned with their effects on employees (Bastein, 1987; Buono & Bowditch, 1989; Ivancevich, Schweiger & Power, 1987). While mergers entail the combination of two or more companies to form a more productive single organization, an acquisition entails one company taking over another company. There are many reasons why an organization might enter into a merger: "to achieve corporate growth, economies of scale, vertical integration, and
diversification” (Buono, Bowditch, & Lewis, 1985, p. 477). Going further, Bastien (1987) listed the following reasons: to expand corporate size, power and economic health; alternatives to internal growth; a quick way to enter into new markets, control markets, and acquire a technology; to protect profits from taxation; and sometimes are a relatively cost effective way to quickly expand a company.

Considering the prevalence of LSOC in today’s business world, many employees are affected by LSOC. Unfortunately, employee perceptions of these LSOCs are not positive. Many employees see such changes as a major life change, which negatively affects their behaviors (Sinetar, 1981).

Though much attention has been given to the actual process of organizational change, additional consideration must be given to those who remain within the organization after such changes: the survivors. It is important for organizations to understand survivors because they can either facilitate or impede the outcomes of the downsizing. Isabella wrote (1989, p. 35), “the survivors are too important a resource to risk alienating... it is necessary to examine how employees interpret and react to a downsizing, and the dangers of not adequately responding to their needs.” During a change process, many positions are
eliminated and employees see their co-workers leave the organization. The survivor is often left with many conflicting emotions. One of those emotions is a sense of guilt: "why didn’t I get picked?" At the same time, these survivors must perform the work of those who left the company, which can cause stress and uncertainty concerning various aspects of the job (Breaugh & Colihan, 1994). Though there are different tolerance levels for ambiguity, employees find that the state of "uncertainty" is highly stressful (Kahn, Wolfe, Quinn, Snoek, and Rosenthal (1964). Such uncertainty may stem from the lack of direction and guidance from management and limited horizontal and vertical communication, which again may cause negative feelings among survivors.

Further research in the area of survivor effects shows that many other outcomes are possible. Researchers have postulated that survivors often experience stress, shock, disbelief, grief, anger, depression, lower morale, and decreased productivity (Sinetar, 1981; Applebaum, Simpson, & Shapiro, 1987; Jick, 1985; Kiechel, 1984). While investigating the effects of a merger on employees, Sinetar (1981) noted that employees experience:
negative behaviors, counterproductive group actions (gossip, worried speculations and rumors, backbiting, political positioning for job security) (p.864)

An increase in dysfunctioning... people might wander aimlessly about, take large amounts of time off, dwell at length on minor issues, or procrastinate endlessly. (p.865)

Studies have also shown that immediately after downsizing has occurred, the impact on survivors has been marked with increased levels of "stress, conflict, role ambiguity, and job dissatisfaction, along with increased dissatisfaction with supervisors and co-workers" (Applebaum et al., 1987).

In contrast, some researchers believe that organizational change can have positive effects on survivors. For example, Sinetar (1981) suggests that mergers can bring opposing employees together because they now have a common goal: surviving the change. Moreover, Sinetar (1981) notes that organizational change can help employees reexamine their values, their priorities, and their future goals. Often, survivors do not experience
negative effects; rather, they are energized and consider downsizing to be an opportunity for personal growth (Isabella, 1989). Certainly, research has recognized a wide range of contradictory survivor responses to organizational change. For example, following a downsizing announcement, survivors have responded by working harder, reducing their efforts, or not changing their efforts at all (Brockner, Grover, & Blonder, 1988). In addition, some survivors will experience greater job variety and autonomy, thus taking on a more active role in the downsizing process.

Communication During Large Scale Organizational Change

In their research on the effects of mergers and acquisitions, Schweiger and DeNisi (1991) found that there seemed to be a rise in stress and a decrease in job satisfaction, organizational commitment, intention to remain with the organization, and perceptions of the organization's trustworthiness, honesty, and caring. Going further, the researchers found that communication about the merger/acquisition process helped to alleviate the employee fears and uncertainties. It is often that
uncertainty, rather than the changes, that produces negative effects. The authors defined organizational communication in regards to the speed in which management delivered information concerning the change. In a post-merger conference, Graves (1981) found that communication could help improve employee perceptions of mergers/acquisitions. The following proposals emerged: (1) communications—information needs to be transmitted in a timely fashion; it cannot sit on someone’s desk and wait to be passed along; (2) the development of a communications and procedures department to help employees with any questions they might have; (3) clear objectives—to clarify the objectives of the company and to ensure they were communicated to personnel.

Applebaum et al. (1987) found that keeping the communication lines open between employees and management helped minimize some of the negative effects (stress, role ambiguity, job dissatisfaction, and dissatisfaction with supervisors and co-workers) that occur during a downsizing. Working with individual employees and providing answers to their questions and help with their needs during the change, increase the chances for the success of that change (Applebaum, et al., 1987). Jemison and Sitkin (1986) also
stressed the importance of communication. They stated that ambiguity in the negotiating stages is purposeful, but when carried to the implementation phase, ambiguity can be dysfunctional and reduce the chances for a successful integration.

While corporate executives, managers, and researchers agree that communication is a vital part of the daily operations of the organization and that communication is critical to an organization's effectiveness, the research in this area is inadequate (O'Reilly & Pondy, 1979). A review of the literature demonstrates that the current collection of communication research (case studies, reviews, and applied articles) though vast, is poor and substantially less empirically based than other organizational constructs (Morrow 1981). Wanberg and Banas (2000) suggested that information "about the change that will occur and how they will affect the organization is necessary" (p. 133). Without this information, employees will be uncertain about what specific changes will occur, how they will affect their jobs, and how they might respond to such changes. The research by Wanberg and Banas (2000) suggests that a closer examination of organizational communication is needed.
In spite of the lack of empirical examination, researchers have tried to define communication in many different ways. In an article by Dance (as cited in O'Reilly and Roberts, 1974a) more than 95 definitions of communication and 15 disparate themes emerged. Dance concluded that researchers in the field of organizational communication are trying to make the concept of 'communication' do too much. The following are definitions of communication cited in the literature:

- the transference of information from sender to receiver and the meaning inferred from that information (Roberts & O'Reilly, 1974a p.205).
- the exchange of information, ideas, and feeling. Or, in a word, exchange. (Foltz, 1985).

Further, organizational communication has been defined in several ways. Foltz (1985, p.4) theorized that organizational communication has two responsibilities, "(1) to support organizational objectives, policies, and programs, and (2) to meet audience needs." This two-pronged concept is critical since many organizations only concern themselves with getting out the message and do not
pay attention to the special needs of their employees. Those special needs not only include receiving the information, but receiving it promptly and accurately. In trusting that the information is honest, the employee is able to grasp what is being conveyed. Employees need communication that is "multidirectional, participatory, comprehensive, credible, open, relevant, and delivered in a timely way" (Sonnenberg, 1991, p.53). In addition, an organization needs to create a climate that encourages open, trusting and caring relationships among its employees: a climate that promotes constructive thoughts and feedback (Sonnenberg, 1991).

In understanding how employees receive organizational information, one should consider both formal and informal communication channels. Formal communication focuses on the interactions resulting from formal authority relationships represented in the organizational hierarchy (Dow, 1988). Johnson, Donohue, Atkin, and Johnson (1994, p.117) presented formal communication as "official such as oral communication up and down the organizational chart and written communication contained in formal memoranda and departmental directives." These authors believe that a formal structure identifies individuals who are the
official sources of information and the information that is their special concern. Alder and Elmhorst (1996) characterized downward communication as providing job instructions, job rationale, procedures and practices, feedback, and instilling the organization's mission. Several researchers, including Alder and Elmhorst (1996) have noted that formal communication often provides "insufficient and unclear information."

On the other hand, informal channels have been defined as communication that "usually does not follow the organizational chart and tends to be more personal" (Johnson et al., 1994, p.117). In addition, informal channels recognize that different needs, including social ones, underlie communication in organizations. As a result, the actual communication relationship in an organization may be less rational than formal systems. Some observers consider informal contacts to be the primary means of communication within an organization. Informal communications are often referred to as "rumor mills" or "grapevines" within an organization because, as the name suggests, the grapevine is entwined throughout the organization with branches going in all directions. The grapevine is an unsanctioned information network often
helping employees make sense of the organizational environment and providing a release from emotional stress (Simmons, 1985). Thus, informal channels of communication help serve employees by providing them with information they might not have been aware of for two reasons: management's avoidance of key issues or the slow process by which formal lines of communication reach employees. The grapevine is very useful in supplementing formal channels. In many instances, it might be said that the grapevine is the only way to find out what is really happening in an organization.

Though grapevines can augment the information provided by formal channels, grapevines can also be deleterious and often stem from employee fear and distrust of the organization. Allport and Postman (1947) suggested that most rumors start off being an account of an actual event, which is then added to someone's perceptual experience of the event, which is then communicated to others. The grapevine tends to become active when the issues are perceived as being critical and the situations are ambiguous. For example, in times of organizational change employees often hear about possible layoffs and plant closures via the grapevine faster than they would from
formal channels. As noted by Crampton, Hodge, and Mishra (1998), studies have shown that information transmitted by the grapevine is accurate; "estimates of accuracy range from 75 to 90 percent." Brownell (1990) indicated that employees rely on the grapevine when they feel threatened, insecure, and are under stress, when there is pending change, and when employees feel that communication from management (formal) is limited.

Going further, studies show that rumors develop in the presence of ambiguous events because the unsettled questions are themselves unsettling. Social psychologist Leon Festinger (cited in DiFonzo, Bordia, & Rosnow, 1994) stated that: "rumors will arise when events are cognitively unclear (ambiguous) or unstructured when they cannot be understood readily because they lack a suitable context." They went on to discuss how rumors help give the ambiguous events meaning and ease the discomfort of the employees. Thus, if formal channels are not forthcoming with information employees will seek that knowledge elsewhere. Organizations need to understand the role of formal communication in change processes to avoid the ambiguity and negative effects of a grapevine.
Dimensions of Organizational Communication

Roberts and O'Reilly (1974) commented that although organizational communication has been the subject of considerable research, "there has been no systematic development of instrumentation to measure communication variables in organizations" (p. 321). As pointed out several times, the same lack of consistency and connection among outcomes is a deficit in the organizational communication literature. To clarify the construct and better understand the consequences, research needs to take a multidimensional approach when defining organizational communication, especially with regard to LSOC. Whether an employee receives information about a LSOC from formal or informal channels or sources, there are often several variables that researchers have considered: (1) whether or not the information is given in a timely manner (Graves, 1981; Jemison & Sitkin, 1986; Schweiger & DeNisi, 1991; Sonnenberg, 1991); (2) the belief that the information communicated is reliable (Granovetter, 1985; Mishra & Spreitzer, 1998; O’Neill & Lenn, 1995); and (3) the information is comprehensive (Blanchard, 1966; O’Reilly, 1980; Oskamp, 1965; Sieber & Lanzetta, 1966).
Today’s dynamic marketplace is not a place where communication can be infrequent; information needs to be constant and timely. Where there was once lag time in reporting changes in the market or in the organization, employees and organizational leaders rely on information that is instantaneous. Many companies today provide their workforce with laptops, blackberries, and cell phones in an effort to communicate information in a timely fashion. The bimonthly newsletter that was used to keep employees up-to-date is now archaic (Sonnenberg, 1991); employees need information on a daily basis, especially in climates of change where there is great uncertainty about what is waiting for them next.

It has been argued that initial negotiations of change should be withheld from employees to minimize confusion (Graves, 1981). Jemison and Sitkin (1986) further noted that initial negotiations should be discussed behind closed doors to reduce ambiguity among personnel at all levels, thus refraining from delivering the message at the first step of a change process. But this same ambiguity, if carried out to the integration phase, can be dysfunctional and reduce the chances for a successful change. This is a curious argument. On one side, information about change
should not be given to employees until there is certainty of change to avoid causing employees to worry about what “could happen” or “won’t happen”. On the other side, if employees find out that top executives are negotiating some sort of change process, there could be negative effects including resentment. If organizations do not define the change process from the start including when employees will be informed of the changes, employees will look elsewhere (grapevines) for what they believe are the facts. In the same sense, organizations should not wait until things “get worse” before informing their employees about an impending change effort; lack of haste can foster uncertainty within employees.

Schweiger and DeNisi (1991) suggested that the only way to deal with the employee anxiety that follows a merger/acquisition is to communicate as soon as possible about the anticipated effects. Though management might prefer communicating nothing to employees because they might believe that information will later be incorrect, managers should communicate what they know and insure that employees are never intentionally deceived. Thus, timeliness can help ensure that employees will not think
that the organization is hiding something, which in turn can affect the success of the change process.

Another issue to consider with regards to communication is trust and a belief that the communication is reliable. Granovetter (1985) defined trust as a willingness to make oneself vulnerable to others, based on the belief that those others are trustworthy. Being vulnerable means that there is a significant chance for loss: emotional, economic, and career. In a downsizing process, the willingness for an employee to be vulnerable may be displayed in survivors who remain with the organization. Survivors who believe that management and the information they are communicating is reliable may be less threatened because they believe that managers will keep their word, creating a sense of trust (Mishra & Spreitzer, 1998). If survivors do not have faith in the organizational decision makers or do not believe that the decision makers are reliable and honest with employees, they are more likely to be threatened by the downsizing and to respond in dysfunctional ways. Without trust, survivors are more likely to leave the organization or retaliate against the downsizing process (Mishra & Spreitzer, 1998).
Moreover, survivors who believe that the organization is being open and honest about the change process may be less threatened because uncertainty is reduced (O’Neill & Lenn, 1995). Employees need to believe that the information the organization is providing them is accurate and reliable. If a manager were to tell an employee, “There is talk of change...” an employee would gain nothing from it; this information lacks reliability and trust. Because trust in those communicating the information and reliability in the information being presented facilitates less threatening perceptions of the change, it is more likely to foster constructive employee responses.

Moving beyond communication being timely, trustworthy and reliable, information that an organization gives its employees during times of change needs to be comprehensive. The research in this area is mixed. Some researchers believe that the more information the better, while others feel that too much information can be harmful (O’Reilly, 1980).

We often hear that managers are “overloaded” with information, but is the same true in times of organizational change among managers and employees alike? Perhaps, not enough information is being received, and “not
getting the word out” could be dangerous. During LSOC, employees often scramble to find any information that they can about their future in the organization. By doing so, they often make decisions about whether or not they will remain with the organization or how they will cope with the impending changes. The information that employees receive will influence their attitudes and behaviors regarding the change process.

Researchers have pointed out that people often seek more information than required, even to the point of inflicting overload upon themselves (Sieber & Lanzetta, 1966). Oskamp (1965) found that past a certain point, decision making performance was unaffected by more information, but more information boosted one’s confidence. This finding appears to apply to LSOC research in that employees with more information might not know what to do with it, but having the information readily available to them might give them a sense of security.

Perhaps the reasoning behind the employee’s need for more information was that the information presented was mixed with both relevant and irrelevant facts. There is clear evidence that an increase in relevant information leads to better decision making abilities (Blanchard,
Conversely, an increased amount of irrelevant information reduces one's ability to identify relevant information, which in turn reduces decision-making performance. O'Reilly (1980) suggested, "the need, not for less information, but for a more careful dissemination of information available within the organization" (p. 693), thus emphasizing the need for more comprehensive information. As applied to the current study, more relevant and comprehensive information about change will better equip an employee to make decisions about whether to leave the organization and how to deal with the future of the organization (attitudes and behaviors).

Employee Attitudes Related to Organizational Communication

Foltz (1985, p.4) believed that organizations should tell employees what they need to know because "employees often are skeptical as the general public on controversial issues facing their organization." Going further, if the organization's explanation for change is not adequate, the attempt to influence employees towards acceptance will fail. Therefore, organizational communication can facilitate a greater understanding of the change at hand.
Sinetar (1981, p.864) points out that employees who experience an organizational change and lack proper communication may experience powerlessness, which can result in rage; “this rage undermines their morale and their effectiveness for months to come”. These characteristics stem from lack of communication; by not having any direction or clearly defined work roles in the organization, the employee stumbles into cynical behavior. Lewin (1947) suggests that education about change is critical for successfully changing the balance of forces.

Therefore, if employees lack the proper information about organizational changes, some employees tend to display cynical behaviors. One might ask, “from where did organizational cynicism originate?” In their research on organizational cynicism, Dean, Brandes, and Dharwadkar (1998) noted that cynicism may have its origins in ancient Greece. It was here that cynics openly expressed their views in vivid displays regarding the well revered areas of religion and politics. Cynics conducted demonstrations with great disdain and contempt for their targets, the leaders of their time. Much like the ancient Greeks, one might find many similarities in employee’s expressions of cynicism, specifically as it pertains to the organizations
in which they are employed, disparaging their company (Dean et al., 1998) and demonstrating a lack of concern for change efforts, or worse, sabotage (Vance, Brooks, and Tesluk, 1995). Though separated by the centuries, cynics of today have similar traits to the cynics of ancient Greece. As Kanter and Mirvis noted (as cited by Andersson, 1999), modern cynics in organizations distrust their leaders and think that their leaders will exploit their contributions when given the chance. This concept is of great interest in the present study as employees often display similar behaviors and attitudes.

Andersson (1996) concluded that employee cynicism can be characterized by "frustration, hopelessness, and disillusionment, as well as contempt toward and distrust of business organizations, executives, and/or other objects in the workplace." After analyzing several approaches to the concept of cynicism, Dean et al. (1998) offered a new conceptualization of organizational cynicism. They defined it as a negative attitude toward one's organization consisting of three dimensions: (1) a belief that the organization lacks integrity, (2) there is a negative attitude towards the organization, and (3) a tendency to participate in negative and disparaging behaviors.
Cynicism can foster strife within an organization, which can drain productivity, create stress in the workplace, or sully a company’s image. Additionally, Wanous, Reichers, and Austin (1994) defined organizational cynicism as an attitude of pessimism and hopelessness toward future organizational change induced by repeated exposure to mismanaged change attempts. The same researchers added that organizational change cynicism is “a pessimistic viewpoint about change efforts being successful because those responsible for making the change are blamed for being unmotivated, incompetent, or both” (2000).

Employees often look to their leaders for direction during LSOC and see their leaders as being responsible for their fate. Leaders who act with fairness are often viewed by their employees as being legitimate and trustworthy. Therefore, the decisions and behaviors leaders participate in can help minimize cynical feelings of those going through LSOC (Boomer, Rich & Rubin, 2005). Employees often see cynicism as a reflection of human nature, a basic belief that one cannot depend on those creating the formal lines of communication to be trustworthy or sincere. Once employees feel that there is a lack of trust and sincerity within an organization, they will have negative attitudes
towards job satisfaction, organizational commitment, and an increase in job insecurity.

After the downsizing process, many survivors become overwhelmed and doubt the security of their job. Jemison and Sitkin (1986) noted that the lack of employee support during organizational change can create concern in feelings of career uncertainty, financial security, alienation, and lack of co-worker trust. They highlight the importance of employee related concerns, including job insecurity, and note the importance of creating a link between an employee’s previous goals with the future work roles within the organization. Greenlaugh and Rosendblatt (1984) defined job insecurity as a powerlessness to maintain a level of stability in a threatened work environment. They conceptualized job insecurity as a cause of fear, stress, and anxiety. The fear of being the next victim may also increase turnover, and for good reason. The chance of losing their employment may cause employees to seek a more secure career opportunity.

Several researchers have suggested that when employees experience job insecurity, organizational leaders often notice declines in performance. Thus, during a change process, employees may experience job insecurity, which in
turn might create a lower level of performance (Ackerman, 1982). On the other hand, Brockner (1988) suggested that those who felt insecure about their jobs would work harder, and increase their production levels, thus trying to ensure their security with the organization. Bordia, Hobman, Jones, Gallois, and Callan (2004) studied organizational change and employee perceptions of uncertainty. Their results suggested that "management communication is effective in reducing uncertainty about strategic aspects of the change". While Bordia et al. (2004) found that one-way communication might be the appropriate channel for high level decisions; their results also suggest that participative communication, such as team meetings, could reduce employees' feelings of uncertainty regarding structural and job-related issues. Therefore, how an employee perceives an organizational change will play a role in terms of how secure he or she feel about the job or the future of the organization.

During times of uncertainty and insecurity, how "fair" an organization deals and communicates with employees is pertinent. Procedural justice can be defined as the perceived fairness of the processes through which decisions are made in organizations (Thiabuat & Walker, 1975).
Greenberg (1990) suggested that procedural justice consisted of two dimensions: structural dimensions - "the characteristics of the formal procedures themselves" and interpersonal dimensions - "how one is treated during the enactment of procedures." Structural dimensions would encompass how procedures are used to make decisions in an organization and whether the employee views those decisions as being biased, based on accurate information, or whether the procedures are applied consistently through the organization. On the other hand, interpersonal dimensions would include an employee's perception of how procedures are carried out in the organization and in doing so, how management considers employee rights, provides reasonable explanations, and treats employees with consideration.

When planning an organization change, there is no need to compromise the employment relationship. When an LSOC is carried out in a just and fair manner, employees are more likely to accept the changes and see the changes as reasonable. Further, research has shown that procedural justice can abate the negative reaction to unfavorable decisions (Brockner & Wiesenfeld, 1996), such as downsizings and mergers.
Schappe (1996) concluded that it is not the employee’s knowledge of an organization’s policies and procedures that leads to positive supervisor ratings, higher job satisfaction and increased commitment, but rather the extent to which employees perceived procedures as being fair. He concluded “knowledge of the procedures affects employee fairness perceptions, and these fairness perceptions positively influence these attitudes,” evaluations of supervisors, job satisfaction, and organizational commitment. Schappe (1996) also suggested that organizations need to look beyond employees’ knowledge of company policies and procedures, and managers “should pay far greater attention to both the type of information that is communicated and the manner in which it is communicated.”

Relative to other employee outcomes, procedural justice has been shown to be related to organizational cynicism and turnover intentions. Berneth, Armenakis, Feild, and Walker (2007) found that procedural justice was negatively related to organizational cynicism. This finding suggests that how leaders deal with their employees during times of LSOC can help minimize cynical behaviors and feelings displayed by employees. Hopkins and
Weathington (2006) found that procedural justice and turnover intentions were negatively related as well. Thus, employees who felt they were dealt with in a fair and just manner were more likely to remain with the organization during times of change. These findings lend themselves to the current study in that procedural justice is proposed to mediate the relationship between employee outcomes and organizational communication.

Dealing with employees in a respectful and fair manner is an important part of the interpersonal piece of procedural justice. Greenberg (1993) found that when managers demonstrated concern to employees regarding procedures and their outcomes, it led employees to judge unfavorable outcomes as fairer than those employees who were not treated with the same respect and courtesy.

Lastly, when organizational change is being planned or procedures are being proposed or changed, allowing employees to participate in the process should prove to be advantageous to both the organization and the employees involved in the process. During times of LSOC, involving employees in the planning process may not only increase acceptance, but should also be an important determinant of perceived procedural justice.
The relationship between organizational communication and intentions to leave the organization during times of change has received little attention. The construct of intention to leave has been underrepresented in the literature; however, it has been equated to turnover intentions. Vandenberg and Nelson (1999) defined turnover intentions as the employee’s “own estimated probability (subjective) that they are permanently leaving the organization at some point in the near future.” How would an employee’s intentions to leave be affected after the announcement of a LSOC? Begley (1998) found that the chaos often felt during an organizational change encourages employees to send out their resumes and seek out employment. Thus, employees were looking for alternatives in the market and demonstrating an intention to leave the organization.

Regarding communication and an employee’s intention to leave, Daly and Geyer (1994), found that if an organization properly communicated to an employee the reasons behind a need for change, the employee would be less likely to leave the company than those who were not well informed. Marks and Mirvis (1985) noted that when organizations close the doors to communications and leave employees in the dark,
rumors and insecurities will intensify. This in turn can produce “worst case” scenarios that reduce productivity, and can lead to more employees voluntarily leaving the organization. Further, Withey and Cooper (1989) found that dissatisfied employees are more likely to choose to leave the organization as a direct response when they do not believe the situation is likely to improve.

While many researchers are interested in the outcomes of organizational communication, empirical support has been inconsistent. One possibility for the lack of empirical connections between organizational communication and employee attitudes has been the lack of definition and measurement of the sub-dimensions of organizational communication. This study proposes to improve upon past literature by identifying and measuring the sub-dimensions of organizational communication and linking them to relevant employee attitudes during organizational change.

Hypotheses

In the present study, the following hypotheses are proposed:

H1: Organizational communication as indicated by timeliness, reliability, and comprehensiveness will predict
intentions to leave. This relationship will be negative; as organizational communication scores increase, intentions to leave will decrease.

H2: Organizational communication as indicated by timeliness, reliability, and comprehensiveness will predict job insecurity. This relationship will be negative; as organizational communication scores increase, job insecurity will decrease.

H3: Organizational communication as indicated by timeliness, reliability, and comprehensiveness will predict organizational cynicism. This will be a negative relationship; as organizational communication scores increase, organizational cynicism will decrease.

H4: The relationship between dimensions of organizational communication and intention to leave, job insecurity, and organizational cynicism will be mediated by procedural justice. This mediated relationship will be tested in a path model which is presented in Figure 1.

Hypothesized Model

Using EQS, the relationship between organizational communication, a latent variable with three indicators (timeliness of delivery, reliability of information,
comprehensiveness of information), and employee perceptions of organizational change, a latent variable with three indicators (job insecurity, organizational cynicism, and intent to leave), were examined (see Figure 1). In the model, intention to leave, job insecurity, and organizational cynicism (factors) are latent variables that are predicted by organizational communication (a factor), is a latent variable, which is mediated by procedural justice (a factor). Notice the direction of the arrows connecting job insecurity and organizational cynicism to their indicators; the constructs predict the measured variables. This implies that employee perceptions of change create job security, organizational cynicism, and intention to leave. The same can be said for the arrows connecting organizational communication to its indicators; here too the construct predicts the measured variables. This suggests that organizational communication drives timeliness of delivery, reliability of information, and comprehensiveness of information (Ullman, 1996).
CHAPTER TWO

METHODS

Participants

The sample for this experiment consisted of employees from three customer service organizations in Southern California (a financial institution, an internet provider, and an insurance organization) going through change. One of the organizations was going through a 2-year plant closure as their business was moving to the east coast. At the time of this study several employees were informed that they were being let go, while others were told that additional units would be reduced over the 2-year process. The other two organizations were downsizing several of their units in order to stay competitive within their markets and at the time of the study employees had be notified that their positions were going to be reduced.

The minimum number of participants for this study was based on an analysis of power, based on 10 subjects per parameter, \( n = 280 \) (Ullman, 1996). There were 450 surveys distributed throughout the study, and 208 completed surveys were returned, resulting in a 46% response rate. Participation was limited to those at least 18 years of
age. The sample population was composed of 82 male and 126 female employees and various ethnic groups. Participants represented a variety of positions within their organizations and various years of tenure, with 83% of participants reporting 10 years or less of service and 17% reporting that they worked more than 11 years with their respective organizations. Table 1 provides detailed information regarding the frequencies and percentages for these demographics.

Participants noted that they recognized that organizational changes were occurring. Perceptions of Degree of Organizational Change (Gilbert & Schmitz, 1997), participants noted that they perceived "more than some" change occurring within their respective organizations (M = 6.91, SD = 1.65).

The participants were not given or offered any incentive by the experimenter or by their respective organizations for volunteering in this study. All participants remained naive to the experimental design and were treated in accordance with the "Ethical Principles of Psychologists and Codes of Conduct" (American Psychological Association, 1992).
Materials

In this field study, participants were administered a survey questionnaire consisting of measures featuring: demographic information (see Appendix B), degree of organizational change (see Appendix C), perceptions of organizational communication (see Appendix D), job insecurity (see Appendix E), intentions to leave/stay (see Appendix F), organizational cynicism (see Appendix G), and procedural justice (see Appendix H).

Degree of Organizational Change (see Appendix C) was assessed using a measure created by Schmitz and Gilbert (1997). Employees were asked to indicate their perception of the degree/severity of change that took place or did not take place. A response of “1” would indicate “no change, while a response of “10” would indicate a “total/complete” change. In addition, an assessment of specific factors related to change was conducted. Some examples of the organizational changes included: demotions, terminations, transfers, alterations of policies/procedures, job duties altered, workload, supervision, co-workers, hostility, and salary/benefits. This measure helped to verify the degree of change that participants experienced. This scale yielded a Cronbach’s alpha of .77.
Perceived Organizational Communication (see Appendix D) was measured using a scale that included several sub-dimensions. The first sub-dimension was timeliness of delivery: whether or not the information was given in a timely manner (as referenced by Graves, 1981; Jemison & Sitkin, 1986; Schweiger & DeNisi, 1991; Sonnenberg, 1991). The timeliness of communication scale produced a Cronbach alpha of .69. Second, the measure included questions on the reliability of information: whether employees believed information about the LSOC was reliable (previously researched by Granovetter, 1985; Mishra & Spreitzer, 1998; O’Neill & Lenn, 1995). The scales’ Cronbach’s alpha was .87 in the present study. The last sub-dimension was comprehensiveness of information: whether employees felt the information was thorough and adequate for their needs (as noted by Blanchard, 1966; O’Reilly, 1980; Oskamp, 1965; Sieber & Lanzetta, 1966). The comprehensiveness of communication scale had an alpha reliability of .67. Participants were asked to indicate the degree to which they agreed (5 = strongly agree) or disagreed (1 = strongly disagree) with each statement.

In addition, participants were asked questions regarding the extent to which several sources (co-
worker/formal; supervisor) provided them with information about change (1 = very little; 5 = very much). Questions regarding the extent to which they received information through several channels of communication (office meetings; written memos/letters) were also included. This measure was developed for the purpose of this research since valid measures of this construct do not currently exist.

A scale measuring job insecurity (see Appendix E) was adopted from Ashford, Lee, and Bobko (1989). This scale was selected because the sub-dimensions are thorough and relative to this study. The dimension of "powerlessness" is especially important because employees often feel that the organization is stripping them of power when information is not shared. The job insecurity components have satisfactory levels of reliability, with Cronbach alphas of 0.92 (job features), 0.88 (total job), and 0.75 (powerlessness).

Organizational cynicism was measured using the Cynicism About Organizational Change measure (see Appendix F), developed by Wanous, Reichers, and Austin (2000). This scale was selected because it complements the present study's focus on a specific form of cynicism within an organizational context: change. The scale consisted of
twelve items to measure its three components (four items per component). The pessimism about change being successful component yielded a Cronbach's alpha of .84. The sub-scale measuring the dispositional attributions about the likely failure of change efforts produced an alpha reliability of .85. Lastly, the sub-scale measuring situational attributes for the failure of change generated a Cronbach's alpha of .66.

Intention to leave was measured using the Bluedorn (1982) Staying or Leaving Index (SLI) (see Appendix G). A key feature of the SLI is its temporal anchoring, which helps participants focus on specific periods of time: three months, six months, one year, and two years. Cronbach's alpha for the SLI was 0.91. For this study, positively worded items were reverse scored to reflect a participant's intention to leave (versus staying). Further, participant's scores were summed and averaged to produce the total score ranging from 1 to 5. Thus, higher scores on this measure indicate a higher intention to leave the organization and lower scores on this measure indicate a lower intention to leave the organization.

In order to measure procedural justice, a 27-item, 7-point Likert scale was selected (see Appendix H). This
scale was adapted from Schappe (1996), who revised a scale developed by Kravitz and Stone (1992), and other scales developed by Konovsky and Cropanzano (1991) and Moorman (1991). The scale was divided into 2 sections: 19-items related to structural (formal) dimensions of procedural justice and 8-items related to interpersonal (interactional) dimensions of procedural justice. The reliability estimate (Cronbach’s alpha) for the structural dimensions was 0.86, and for the interpersonal dimensions, the reliability estimate was 0.95.

In addition to the questionnaire, the participants were provided with an envelope in which they could secure their responses. After sealing the envelopes, employees placed the completed surveys in a box located near the office secretary’s desk, or mailed the envelope to the researcher.

Procedures

The participants were given a questionnaire that included a consent form (see Appendix A), which outlined the purpose of the study. Participants were informed that there was no obligation to complete the survey, and their responses would remain anonymous. In addition, the
participants were asked to fill out the questionnaire on their own time and not that of the organization. The questionnaire provided instructions on completing the survey and information on returning the completed survey. After following the directions and completing the survey, the participants read a debriefing statement (see Appendix I) attached to the survey and information on how to reach the study researcher if necessary. Next, the participants were instructed to fold the questionnaire, place it in an envelope and seal it. Following the instructions, the participants placed their sealed envelopes in a box located near the office secretary's desk or mailed their surveys directly to the researcher. On the final day for survey completion and submission, the boxes were collected from each office and the surveys removed. The surveys were then scored and analyzed.
CHAPTER THREE

RESULTS

Assumptions

Before analyzing the data, degree of organizational change, perceived organizational communication, job insecurity, organizational cynicism, intention to leave, and procedural justice were examined through SPSS for accuracy of data entry, missing values, and fit between their distributions and the assumptions of multivariate analysis. Participants' responses were examined, and all of the variables contained values within the expected range. All participants answered each of the items; therefore, the data set had no missing data.

All variables were examined for univariate outliers using z scores and a criterion of p = .001. No univariate outliers were found in the data. Next, all variables were examined for multivariate outliers using Mahalanobis' distance; no multivariate outliers were found.

Model Estimation

The employee perception variables were highly correlated, which created linear dependency (see Table 3).
Since linear dependency was so great, EQS could not run, which violated the assumptions of structural equation modeling. As a result, the model was reduced to a path analysis and the mediated model was tested using path analysis in EQS (see Figure 2). This decision was also made based on the limited size of the sample.

Therefore, a multilevel analysis approach was taken using path analysis. The comparative fit index (CFI) and root mean-square error of approximation (RMSEA) indicated that the model significantly fit the data, $\chi^2 (3, N = 208) = .936, p > .05$, CFI = 1.00 > .95, RMSEA = .00. The confidence level of RMSEA is .000 to .071. The percent of variance accounted for by intention to leave was 26%, job insecurity was 44%, organizational cynicism was 11%, and procedural justice was 8% of the variance. The Wald Test suggested the link between procedural justice and organizational cynicism be dropped as it yielded a low standardized coefficient (-.003) and failed to reach significance ($\chi^2 = .004, p = .951$). By dropping this parameter, the fit of the model did not change. The relationship between organizational communication and job insecurity was partially mediated by procedural justice. Further, the relationship between organizational
communication and intention to leave was strongly mediated by procedural justice. Figure 3 reports the path coefficients and error terms for the structural equation path analysis.

Additional Analyses

To further understand the findings, correlations were run in SPSS for communication sources and communication channels (see Tables 4 and 5). When participants received information regarding organizational change from an informal co-worker source such as office gossip or the grapevine, there was a strong, negative relationship with timelines of communication ($r = -0.71$, $p < .01$), a strong, negative relationship with reliability of communication ($r = -0.59$, $p < .01$), and a moderately negative relationship with comprehensiveness of communication ($r = -0.38$, $p < .01$). Regarding communication from formal co-worker sources such as information sanctioned by the organization, there were moderately negative relationships with timeliness, reliability, and comprehensiveness of communication ($r = -0.37$, $r = -0.43$, $r = -0.26$, $p < .01$, respectively). However, when the source of information was a supervisor, there were strong, positive relationships with how timely ($r = 0.52$, $p < .01$)
.01), reliable (r = .50, p < .01), and comprehensive (r = .47, p < .01) they perceived the communication. When information was provided by a member of the organization's top management such as company executives or the president, there were stronger positive relationships observed: timelines (r = .63, p < .01), reliability (r = .69, p < .01), and comprehensiveness (r = .64, p < .01).

When information about organizational change was delivered through office meetings, the data revealed a negative relationship with the timeliness of the communication (r = -.16, p < .01). When information was delivered through written memos and office letters, there were moderately positive relationships with timeliness, reliability, and comprehensiveness of communication (r = .34, r = .37, r = .37, p < .01, respectively). When it came to internal publications such as company newsletters, participants felt this source was more favorable than written memos and letters as the relationships were strong and positive, timely (r = .52, p < .01), reliable (r = .67, p < .01), and comprehensive (r = .53, p < .01). However, when information was delivered by email, there were not significant relationships, suggesting that participants did not view it to be a preferred channel of communication.
Considering office gossip as a means of delivering change information, there were negative relationships with timeliness, reliability, and comprehensiveness of communication ($r = -.56$, $r = -.44$, $r = -.24$, $p < .01$, respectively), suggesting that office gossip was the poorest channel of communication in relation to timeliness, reliability, and comprehensiveness.

Additionally, standard multiple regression was utilized in SPSS to further explore the research questions of this study. The predictor variables (independent variables) timeliness of communication, reliability of communication, and comprehensiveness of communication remained constant in each of the regression analyses.

The three organizational communication dimensions: timeliness, reliability and comprehensiveness of communication predicted intentions to leave, $F(3, 204) = 31.09$, $p < .001$. Both timeliness and reliability of communication accounted for 31% ($R^2 = .31$) of the variance in intentions to leave. Of the three dimensions of communication, timeliness and reliability were significant, ($\beta = .74$ and $\beta = -.34$, $p < .001$ respectively). It is interesting to note that the two dimensions were working in
opposite directions; timeliness predicting and reliability predicting a negative relationship.

In the second regression analysis, the three organizational communication dimensions: timeliness, reliability and comprehensiveness of communication predicted job insecurity leave, $F(3, 204) = 35.49, p < .001$. However, reliability of communication alone accounted for 34% ($R^2 = .34$) of the variance in job insecurity. Of the three dimensions of communication, only reliability of communication was significant, ($\beta = -.47, p < .001$). Again, reliability was found to predict a negative relationship, this time in the employee outcome of job insecurity.

The criterion variable of organizational cynicism was predicted by the three dimensions of organizational communication, $F(3, 204) = 17.55, p < .001$. Reliability and comprehensiveness of communication accounted for 21% ($R^2 = .21$) of the variance. Further, the dimensions of reliability and comprehensiveness of communication were significant ($\beta = -.59$ and $\beta = .38$, $p < .001$ respectively), while timeliness was not significant. Regarding organizational cynicism, reliability predicted a negative relationship, while comprehensiveness was positive.
Lastly, procedural justice was significantly predicted by all three of the independent variables; timeliness, reliability, and comprehensiveness of communication which accounted for 20% ($R^2 = .21$) of the variance, $F (3, 204) = 16.75, p < .001$. All three dimensions of communication: timeliness, reliability, and comprehensiveness were significant ($\beta = -.36, \beta = .37, \text{and } \beta = .27, p < .001$ respectively). It is interesting that timeliness of communication was the only dimension to decrease (negative relationship) procedural justice while the other two dimensions helped to increase (positive relationship) its prediction.
An important aspect of the current study is that the findings add to existing organizational research by providing insight into the role of communication in predicting intention to leave, job insecurity, organizational cynicism, and procedural justice. In addition, the results help identify dimensions or organizational communication that have been scarce in previous research. One of the main goals of this study was to investigate whether the relationship between organizational communication and intention to leave, job insecurity, and organizational cynicism were mediated by procedural justice. To test this relationship it was important to establish the direct links between organizational communication and each of the following employee perceptions: intention to leave, job insecurity, organizational cynicism, and procedural justice. Next, the direct links between procedural justice and the employee perceptions of intention to leave, job insecurity, and organizational cynicism needed to be determined.
It was hypothesized that organizational communication would predict intention to leave and that the relationship would be negative. Specifically, with greater organizational communication about LSOC, participants' attitudes toward leaving the company would decrease. This relationship was not supported, and participants reported a positive relationship; the more communication they received about change, the likelihood of them quitting increased. As Whitney and Cooper (1989) reported, dissatisfied employees are more likely to leave an organization when they do not believe the environment (change) will improve. In the current study, while organizations may have presented the employees with ample information about organizational changes, employees may have viewed that information as an indication to look for employment elsewhere. Begley (1998) noted that when employees view organizational change as chaotic, they are more likely to seek employment elsewhere. Regardless of the communication set forth by the organization, employees may see uncertainty as threatening and seek more stability in another company.

Further, through the additional regression analysis it was interesting to find differences in the relationships
between the dimensions of timeliness and reliability with regard to intentions to leave. The current study found that employees who believed the organization was communicating in a timely manner were more likely to leave the organization. However, employees who believed the information was providing reliable information were more likely to stay. Organizations may look at this finding favorably, in that insuring the information they communicate to employees is dependable and coming from credible sources.

There was support for the second hypothesis proposing that organizational communication would predict job insecurity and that the relationship would be negative. Therefore, as participants reported greater levels of organizational communication about change they reported lower levels of job insecurity. These findings are in line with the findings of Bordia et al. (2004) in which communication during times of change is effective in reducing employee perceptions of uncertainty about their organization. Job insecurity and uncertainty can be very destructive to an organization in that employees may feel powerless to maintain stability in their current position (Greenlaugh and Rosenblatt, 1984) and may question their
financial security, trust of co-workers, and their ties to their company (Jemison and Sitkin, 1986).

The current study also found higher levels of reliable communication predicted lower feelings of job insecurity in employees. Though timeliness and comprehensiveness were not significant, employees who believed the organizational communication about change was reliable felt more secure in their jobs/positions than those who felt communication was not reliable. Through effective communication; especially reliable communication, change agents can support their employees and redirect their uncertainty in a more focused manner. Employees will then be able to concentrate on current tasks such as production and performance thereby strengthening their ties to the company.

As mentioned in the review of the literature, organizational communication can facilitate a greater understanding about the change process and leave employees feeling less cynical about their organization and those leading the change. Boomer et al. (2005) suggested that the decisions and behaviors in which leaders participate can help minimize cynical feelings of those going through LSOC. The third hypothesis lends itself to these findings as support was found for organizational communication
predicting organizational cynicism and that this relationship was negative. The more communication that employees were provided by their organization about the change process, the more their organizational cynicism decreased. When employees are provided with information that is viewed as timely, reliable, and comprehensive they have less to question and doubt. Further, Wanous et al. (1994) characterized organizational cynicism as an attitude of pessimism and hopelessness toward organizational change; the antithesis of what change agents are looking to avoid. These agents and corporate leaders can minimize the cynical attitudes of their employees by ensuring that communication is timely, reliable, and comprehensive. Organizational cynicism was broken into three dimensions by Dean et al. (1998): (1) a belief that the organization lacks integrity, (2) a negative attitude felt towards the company, and (3) employees have a tendency to participate in negative and disparaging behaviors. These dimensions are areas in which organizations work diligently to avoid from the date of hire, creating a sense of value and integrity in their company, providing a sense of pride and affiliation with the company, and minimizing poor performance and inappropriate comments and attitudes that can damage their
organization's hard earned brand. Based on the findings of this study, organizations would greatly benefit in reducing these attitudes and behaviors as long as they actively participated in communicating with their workforce about any change processes.

It should also be noted that reliability of communication negatively predicted organizational cynicism; employees were less cynical about the LSOC when they believed the information communicated was reliable. On the other hand, comprehensiveness of communication predicted organizational cynicism in a positive direction. The more information employees received about the LSOC the more cynical their attitudes became about the process and the organization. As Blanchard (1966) indicated higher levels of relevant information can lead to better decision making abilities; yet, higher levels of irrelevant information reduces an individual’s ability to make decisions. The current study suggests that employees who are given more information are not necessarily better equipped to make better decisions and refrain from cynicism. But, paired with how reliable the information is about the change process can help minimize their cynical attitudes.
The final hypothesis in the present study proposed the relationship between dimensions of organizational communication and intention to leave, job insecurity, and organizational cynicism would be mediated by procedural justice. It was found that procedural justice mediated the relationship between organizational communication and employees' intentions to leave. However, it should be noted that contrary to the lack of support for hypothesis 1, in which a positive relationship was found between organizational communication and intentions to leave, procedural justice supported a negative mediation. In other words, when employees were provided organizational communication on LSOC and saw that the actions of the company were fair and just, they were less likely to leave the company. Procedural justice also mediated the link between organizational communication and employee perceptions of job insecurity. This relationship was negative in that procedural justice helped predict employees to be less insecure about their jobs. These findings emphasize the importance of the organization's procedures for change and how they are carried out and how employees are treated during the change process (Greenberg, 1990). These effects can influence an employee's
perceptions of job insecurity, which have been conceptualized as a cause of fear, stress, and anxiety. With all the chaos involved in the LSOC process, minimizing an employee’s job insecurity would be a great accomplishment. Communicating with fairness and rationale (procedural justice) can help mitigate many negative outcomes including attitudes, emotions, and behaviors.

In the present study, the data did not support the link between organizational communication and employee perceptions of organizational cynicism as mediated by procedural justice. This finding is peculiar in that one would expect that employees who found the organization’s communication on LSOC to be fair and just would not demonstrate organizational cynicism. This finding could possibly be explained by the role of individual differences. While employees might have viewed the organization’s change process as fair, they could have had other issues with the organization in terms of poor performance ratings or disciplinary action, which could pose cynical feelings for the organization overall.

Additionally, several correlations were run between the sub-dimensions of: timeliness of delivery, reliability of information, and comprehensiveness of information and
the sources of communication (co-worker/informal, co-worker/formal, supervisor, and top management) and the channels of communication (office meetings, written memos/letters, corporate newsletters, email, and office gossip).

Timeliness of information and sources that included officials of the company (supervisor and top management) provided moderate to strong positive relationships. Sources that included formal and informal co-worker (gossip) communication provided moderate to strong negative relationships as related to timeliness. These results suggest that employees view information coming from corporate officials as timely compared to information that is disseminated by co-workers. Considering previous research in the area of timeliness of information, these results are both supported and contradicted. Schweiger and DeNisi (1991) suggested that organizations need to communicate information about LSOC as quickly as possible to lessen employee anxiety. On the other hand, informal channels of communication (grapevines) often help employees receive information that might be tied up in the formal lines of communication (Simmons, 1991). Perhaps the differences found here can be attributed to employees
believing that "factual" information is being communicated in a timely manner by corporate leaders and not via co-worker gossip. In addition, there were stronger positive relationships with official written documents prepared by the organization than by information communicated in office meetings, gossip, or in email. Perhaps here too, the "official word" is seen as more timely than office meetings that get cancelled and postponed, office gossip, and emails that may be sent from a host of individuals. With regard to emails, many organizations frown upon employee’s using the medium for "unofficial" business, perform random searches of employee email, and have screening devices to monitor employee email exchanges.

Regarding reliability of information, sources that included officials of the company (supervisor and top management) also provided strong positive relationships. Sources that included formal and informal co-worker (gossip) communication provided strong negative relationships. Here employees may view the information provided by officials of the company to be more reliable than information that is heard from a co-worker. Perhaps further examination into "management trust" could provide additional information in this area and could be examined
in future research. Regarding the channel of communication, there were moderate to strong positive relationships with official written documents prepared by the organization than by information communicated in office meetings, gossip, or in email. In fact, the relationships between the channels, office meetings and email, were not significant. This is a very interesting finding. Have office meetings lost all credibility with the delivery of reliable information? Or do employees (as with timeliness), view official documents (memos and newsletters) as the optimal channel of communication? Perhaps employees believe that "if it is in writing, it must be true" as employees often seek out the "official" policy or document that provides them with the information they are seeking.

Office gossip presented a strong negative relationship to reliability of information. Employees may have considered office gossip to be unrelated to reliable information due in part to those passing the information: employees unsatisfied with the LSOC. DiPonzo et al. (1994) cited Leon Festinger, who suggested that rumors will start when events cannot be understood because the events lack rationale or meaning. Further, the researchers indicated
that employees may start or listen to rumors to help ease their discomfort. The current study again suggested that while employees may view grapevines as a source and channel of communication, which were the highest in each category, they also relate these informal dimensions as being unreliable. It should be noted that these findings are contrary to Crampton et al. (1998), who noted the grapevine to be "75 to 90 percent" accurate. However, Allport and Postman (1947) suggested that rumors start off being based in fact, but when added to an individual's perceptual experience of the event, the facts change. Regardless of the findings that employees may not view office gossip to be a reliable source or channel of information, organizations should still pay attention to their presence and potential harm to the organization and LSOC process.

Comprehensiveness of information from sources that included officials of the company (supervisor and top management) provided moderate to strong positive relationships. Sources that included peer (co-worker) communication provided moderate negative relationships as related to comprehensiveness of information. During times of LSOC, employees seek information that is comprehensive, relevant, thorough, and "covers all the bases." As this
data suggests, there was a stronger relationship between comprehensiveness of information and company leaders than to co-workers. During LSOC it would make sense that leaders, those responsible for the changes and carrying them out, would have more comprehensive information to provide employees than those not involved, their peers. How the information is delivered or the channel also provided a strong to moderate positive relationship with official/company documents (office memos and corporate newsletters) as opposed to office gossip, which showed a moderately negative relationship. Further, the findings showed that office meetings and email as a conduit of information were not significant in terms of their comprehensiveness. Here too, the research regarding the dimension of comprehensive communication is mixed; some researchers believe that less is more while others believe that the more information the better. So what do employees prefer during times of LSOC? Sieber and Lanzetta (1966) suggested that employees often seek out more information than necessary to the point of inflicting “overload” upon themselves. Moreover, O’Reilly (1980) indicated that the need for a more careful distribution of information is needed; it is what and how the information is given to
those involved in the LSOC. Employees look towards the leaders and management of the organization to provide this information because they believe those responsible for change can provide the most comprehensive account of the process. In today's high-tech world, where text messaging has replaced telephone calls and conversations, employees and students feel that if you can't read it in a text or a blog, it is not worth knowing. I do not believe this will be the case with learning about organizational changes, but perhaps this could be further examined in future research.

When faced with LSOC, organizations may find great benefits in communicating with their employees in a timely fashion with reliable and comprehensive information about the change process. With that in mind, it should be noted that organizational communication is not the panacea for organizations during times of LSOC. However, communication can be an effective way of managing the reactions and attitudes of an organization's workforce.

Limitations

There are several limitations to consider that might have impacted the findings of the present study. One of the first limitations to consider is that of the sample
size. This study had a smaller than expected sample size, which did not allow for a full measurement model. Due to this limitation, the study was unable to test all latent variables because of the instability of EQS. Further, since most of the data was based on correlations, there were several limits with regard to the conclusions of causality and there were no controls of the variables.

Another limitation to consider is the population represented in the study. The organizations that agreed to participate, conducted business in the customer service industry. A better understanding of the issues raised in this study could have been addressed if the population was more diverse to include employees of other types of businesses such as the automotive industry, manufacturing, and government agencies. While all participating organizations indicated that they were going through a change process (downsizing, reduction in force, or a merger), greater selection of the population could have focused on those employees specifically affected by the change. In the present study, employees were randomly selected through each organization rather than identifying those most affected by the change or those only having knowledge of the change.
A third limitation to consider was that of the study’s demographics. It would have been interesting to have included additional questions to distinguish the participant’s level in the organization; for example, line worker, professional, manager, or executive. This information might point to difference between those who were making the decisions for change versus those affected by the decisions for change. Further, the current study did not differentiate between those employees who are represented by a collective bargaining unit (i.e. union). Participants who may have belonged to a union might have different perceptions than those who have no representation. During their contract negotiations, employees may have felt involved, and therefore, might see the process as more fair than those without a union presence.

The fourth limitation to consider was that the current study did not focus on the content of the communication delivered to employees going through change. After analyzing the data, the concept of “content” or the “message” being disseminated was realized as perhaps having an impact on employee perceptions. Consider the following examples regarding content. An organization communicated
information that was very direct: "the plant is closing all operations in California and moving to Florida in the next 3 month." In the second example, an organization communicated information that is a bit vague: "the plant will be reorganizing our current structure over the next 18 months and some employees may be transferred or displaced." While employees may have different perceptions of the communication being timely, reliable, and comprehensive there are differences in the content or message being delivered. In the first example, employees were told the plant was closing in 3 months; change is immediate. The second example presents a vague, less threatening scenario in which change would occur over an 18 month period. Therefore, employees in the first example might report higher scores in intentions to leave, job insecurity and organizational cynicism than those in the second example due in part to the content of the LSOC. Additional research may look at the content of the message to better understand its impact on employee perceptions of change.

Lastly, it should be noted that participants' perceptions of change can be influenced by many different factors including how involved one is with the change process and whether they are affected. Factors such as
recent performance evaluations, pay increases, and opportunities for promotions and growth might have an influence on how employees respond to procedural justice, job satisfaction, or intention to leave. The current study assumes that all extraneous values were constant and may not have influenced the participants' perceptions other than the presence of organizational change.

Implications and Future Research

This research study is important to our field and the business world for several reasons. First, LSOC is becoming a common part of the business world, yet little is known about its effects on employees. By understanding these effects, we might be able to help reduce the negative impact they have on the organization. Human Resource professionals, change agents, and organizations may be able to better communicate aspects of change to mitigate its harmful effects: turnover, dissatisfaction, and performance and behavioral problems.

Second, many organizations need to understand that communication can effect how employees perceive change efforts and how they will react to the change process. Thus, we need a better understanding of the sub-dimensions
of communication and how they can be measured more effectively. This study looked at the sources and channels of communication through which employees received information about organizational change. However, it may be important to understand which source or channel of communication employees prefer. As an HR professional, employees indicated different communication preferences; some would rather talk about changes face to face, while others prefer receiving the information in writing. As mentioned before, future research may also look into additional sources and channels of communication such as newsgroups, professional affiliations (SIOP, SHRM, etc.), and computer blogs and text and other electronic messages. Organizations need to better understand their employee base and which sources and channels of communication are favored and most effective.

Further, this study tried to contribute additional research to the field of communication in providing a better understanding of the multi-dimensional construct. First, this study was able to consider the timeliness of communication and at speed to which information is provided to employees. Second, the current research examined the reliability of communication and whether or not the content
could be trusted. Lastly, the comprehensiveness of organizational communication was identified since employees tend to want thorough descriptions of policies, procedures, and processes. Therefore, organizations can better understand the employee perceptions of LSOC based on the timeliness, reliability, and comprehensiveness of the communication and strategize accordingly.

Future researchers could consider investing some time in a longitudinal study of employee communication during LSOC. This might show how employees perceive communication during the course of organizational change processes and after those changes have been completed. Here again, organizations can determine what source and channel of information is best for specific stages in the change process and develop additional interventions to help lessen the effects of LSOC. With a longitudinal study, researchers could examine perceptions of organizational benefit packages such as severance payouts, medical insurance extensions, and job placement programs. Further, researchers might consider the survivors or those not affected by LSOC and explore their perceptions of communication. Survivors might have different views on how much information they would like to receive about changes
that do not affect them. Finally, based on the direct relationship between organizational communication and employee perceptions of change, organizations may develop specific communication strategies aimed at survivors so that they may endure the changes with greater comfort and security.
APPENDIX A

INFORMED CONSENT FORM
Informed Consent Form

The study in which you are about to take part is being conducted for two reasons: (1) to investigate how an organization communicates large scale change to its employees, (2) how communication will effect certain employee perceptions and behaviors. This study is being conducted as a Master’s Thesis Project, and has been reviewed in accordance with the Psychology Department Human Participants Review Board of California State University, San Bernardino procedures governing human participant research. This research is being conducted by James Doran, under the supervision of Dr. Janelle Gilbert, Associate Professor of Psychology.

Your participation in this research is completely voluntary and you are free to withdraw at any time during the study without any obligation. The surveys are to be answered anonymously, and on the free time of the participant. The questionnaire, which consists of a few demographic questions along with questions on employee attitudes, should take approximately 20 minutes to complete. All data will remain entirely confidential. Results of the study will be available in the Fall of 2001.

If you have any questions or comments regarding this study, or would like a report of the results, please contact James Doran at (909) 880-5587.

By placing a mark in the space provided below, you are acknowledging that you have been informed of, and understand the nature and purpose of this study and freely consent to participation. By this mark, you also acknowledge that you are at least 18 years of age.

Give your consent to participate by making a check or “X” here: ______________.

Today’s date: ________________________________.
APPENDIX B

DEMOGRAPHICS SURVEY
Demographics Survey

1. What would best describe your position with the organization?
   1. Temporary
   2. Part-time
   3. Full-time

2. How long have you worked for the organization?
   1. Less than 1 year
   2. 1 to 5 years
   3. 6 to 10 years
   4. 11 to 15 years
   5. More than 15 years

3. What is the last level of education that you have completed?
   1. Less than high school
   2. High school graduate
   3. Some college or technical school
   4. College graduate
   5. Graduate work

4. What is your age?
   1. Under 20 years of age
   2. 21 to 30 years of age
   3. 31 to 40 years of age
   4. 41 to 50 years of age
   5. Over 50 years of age

5. Please circle the number that best represents your race or ethnicity:
   1. African America
   2. Hispanic
   3. Caucasian
   4. Asian
   5. Other: ________________________________

6. Please circle your gender:
   1. Male
   2. Female
APPENDIX C

DEGREE OF ORGANIZATIONAL CHANGE SCALE
Degree of Organizational Change Scale

The following assesses the degree of change your organization has experienced. Please circle the number that corresponds to the degree of change you feel the organization in which you are currently employed has experienced in the last 1-3 years. For example, a "1" would indicate that no changes have occurred within the organization, whereas a "2" may indicate limited changes such as reporting to a new supervisor, working with new co-workers, and so forth. On the other hand, a "10" would indicate that a total/complete change has taken place, such as a restructuring, for example.

There is no right or wrong answer, but please only mark one number. Again, it is only an indication of what degree of change you perceive to have occurred (or not to have occurred) within the organization.

1 2 3 4 5 6 7 8 9 10

The following statements are about what type of changes you may be experiencing in your organization. Please use the following scale to indicate the degree to which you feel the statement is true, false, or neither true nor false. Please circle the number that best represents your answer.

1 = VERY FALSE
2 = MORE FALSE THAN TRUE
3 = NEITHER TRUE NOR FALSE
4 = MORE TRUE THAN FALSE
5 = VERY TRUE

1. Recently in the organization there have been a number of demotions. 1 2 3 4 5
2. The organization has made numerous terminations. 1 2 3 4 5
3. The organization has transferred a number of employees. 1 2 3 4 5
4. Ways of doing things in the organization have been altered. 1 2 3 4 5
5. My job duties have been altered. 1 2 3 4 5
6. I have experienced an increase in my workload. 1 2 3 4 5
7. I recently have received a new supervisor. 1 2 3 4 5
8. There are many new co-workers in my department. 1 2 3 4 5
9. Recently, I feel that there is more hostility among the employees. 1 2 3 4 5
10. My salary and/or benefits has been decreased. 1 2 3 4 5
APPENDIX D

PERCEIVED ORGANIZATIONAL COMMUNICATION SCALE
Perceived Organizational Communication Scale

The following statements refer to organizational communication during times or organizational change. Please indicate the degree to which you agree or disagree with each statement by circling the number which best represents your answer.

1 = STRONGLY DISAGREE  
2 = MODERATELY DISAGREE  
3 = NEITHER AGREE NOR DISAGREE  
4 = MODERATELY AGREE  
5 = STRONGLY AGREE

Timeliness
1. I believe that management provides information about organizational changes quickly.  
2. I think that the organization keeps information about change from the employees.  
3. It wouldn't be out of the ordinary that I would have to wait to hear about an organizational change in a company publication (newsletter) rather than hearing it from management.  
4. I feel that organizational communication about change is out-dated by the time it reaches employees.  
5. Information about organizational change moves from corporate leaders to front-line employees promptly.

Reliability
6. The information that I receive from management about change is reliable.  
7. I have complete trust in the information that management gives me about change.  
8. Communication between myself and management is open and honest.  
9. Informal information from co-workers tends to be more reliable than communication from management.  
10. There are times when I feel that management isn't being honest with the changes that are occurring within the organization.
Comprehensive

11. What the organization communicates about change today, is different from what they said yesterday. 1 2 3 4 5
12. The information that I receive about organizational changes is often limited. 1 2 3 4 5
13. During times of change, I wish that I were given more information. 1 2 3 4 5
14. During times of change the organization rarely provides me with ample information. 1 2 3 4 5
15. I believe that the organization communicates too much information during a change process. 1 2 3 4 5

Source
Please use the following scale for the following questions (18-26).

1 = VERY LITTLE
2 = LITTLE
3 = SOME
4 = MUCH
5 = VERY MUCH

For each of the following sources of information, please indicate the extent to which they provide you with information about change.
16. Co-worker/informal (grapevine; gossip) 1 2 3 4 5
17. Co-worker/formal (information sanctioned by the organization) 1 2 3 4 5
18. Supervisor 1 2 3 4 5
19. Top management (president, corporate executives) 1 2 3 4 5

Channel
For each of the following channels of communication, please circle the number which best indicates the amount of information you receive through that channel.
20. Office meetings 1 2 3 4 5
21. Written memos/letters 1 2 3 4 5
22. Internal publications (newsletters) 1 2 3 4 5
23. E-mail 1 2 3 4 5
24. Office Gossip 1 2 3 4 5
Job Insecurity Scale

Perceived Threat to Job Features

The following statements attempt to capture the perceived threat to job features. Please use the following scale to answer the question, “Looking to the future, what is the probability that changes could occur – changes you don’t want or might disagree with – that would affect each of the features?”

1 = NEGATIVE CHANGE VERY LIKELY
2 = NEGATIVE CHANGE UNLIKELY
3 = NEGATIVE CHANGE NEITHER LIKELY NOR UNLIKELY
4 = NEGATIVE CHANGE LIKELY
5 = NEGATIVE CHANGE VERY LIKELY

1. Your geographic location?  
2. Your potential to get ahead in the organization?  
3. Your potential to maintain your current pay?  
4. Your potential to attain pay increases?  
5. The status that comes with your position in the company?  
6. Your current freedom to schedule your own work?  
7. Your current freedom to perform your work in the manner you see fit?  
8. Your current access to resources (people, materials, information) in the organization?  
9. Your current sense of community in working with good coworkers?  
10. The amount of feedback you currently receive from supervisors?  
11. The supervision that you receive?  
12. The physical demands your job places on you?  
13. The variety of tasks you perform?  
14. The opportunity to do an entire piece of work from start to finish?  
15. The significance of your job?  
16. The extent to which you can tell how well you are doing your job as you do it?

Perceived Threat to Total Job

The following is an attempt to capture the perceived threat to a total job. Please use the following scale to indicate how likely an even potentially may be in response to the question, “again, thinking about the future, how likely is it that each of the following might actually occur to you in your current job?”

1 = VERY UNLIKELY
2 = UNLIKELY
3 = NEITHER LIKELY NOR UNLIKELY
4 = LIKELY
5 = VERY LIKELY

1. Lose your job and be moved to a lower level job within the organization?  
2. Lose your job and be moved to another job at the same level within the organization?
3. Find that the number of hours the company can offer you to work may fluctuate from day to day?
4. Be moved to a higher position with your current location?
5. Lose your job and be laid off for a short while?
6. Lose your job and be laid off permanently?
7. Find your department or division's future uncertain?
8. Lose your job by being fired?
9. Lose your job by being pressured to accept early retirement?

**Powerlessness**
The following is to assess your feelings in regards to powerlessness within your job. Please use the following scale to indicate the degree to which you agree or disagree with the following statements. Please circle the number that best represents your answer.

1 = STRONGLY DISAGREE
2 = DISAGREE
3 = NEITHER AGREE NOR DISAGREE
4 = AGREE
5 = STRONGLY AGREE

1. I have enough power in this organization to control the events that might affect my job.
2. In this organization, I can prevent negative things from affecting my work situation.
3. I understand this organization well enough to be able to control things that affect me.
APPENDIX F

INTENTION TO LEAVE/STAY SCALE
**Intention to Leave/Stay Scale**

The following questions are trying to measure your objectives within this organization. Please use the following scale responses to answer each question.

<table>
<thead>
<tr>
<th>Scale</th>
<th>Excellent</th>
<th>Very Good</th>
<th>Good</th>
<th>So-So</th>
<th>Not So Good</th>
<th>Bad</th>
<th>Terrible</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7</td>
<td>6</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

How do you rate your chances of still working for (name of organization).

1. Three months from now (date)  
   - 1 2 3 4 5 6 7
2. Six months from now (date)  
   - 1 2 3 4 5 6 7
3. One year from now (date)  
   - 1 2 3 4 5 6 7
4. Two years from now (date)  
   - 1 2 3 4 5 6 7

How would you rate your chances of:

5. Quitting (name of organization) in the next three months (by date)  
   - 1 2 3 4 5 6 7
6. Quitting this company sometime in the next six months (by date)  
   - 1 2 3 4 5 6 7
7. Quitting this company sometime in the next year (by date)  
   - 1 2 3 4 5 6 7
8. Quitting this company in the next two years (by date)  
   - 1 2 3 4 5 6 7
APPENDIX G

ORGANIZATIONAL CYNICISM SCALE
Organizational Cynicism

Listed below are a series of statements that represent possible feelings that individuals might have about the organization for which they work. Please indicate the degree of your agreement or disagreement with each statement by circling the number that best represents your answer.

1 = STRONGLY DISAGREE
2 = DISAGREE
3 = NEITHER AGREE NOR DISAGREE
4 = AGREE
5 = STRONGLY AGREE

Pessimism

1. Most of the programs that are supposed to solve problems around here will not do much good.  
2. Attempts to make things better around here will not produce good results.  
3. Suggestions on how to solve problems will not produce much real change.  
4. Plans for future improvement will not amount to much.

Dispositional Attribution

5. The people responsible for solving problems around here do not try hard enough to solve them.  
6. The people responsible for making things better around here do not care enough about their jobs.  
7. The people responsible for making improvements do not know enough about their jobs.  
8. The people responsible for making changes around here do not have the skills needed to do their jobs.

Situational Attribution

9. The people responsible for fixing problems around here cannot really be blamed if things do not improve.  
10. The people responsible for solving problems around here are overloaded with too many responsibilities.  
11. The people responsible for fixing problems around here do not have the resources they need to get the job done.  
12. The people responsible for making changes around here do not get the cooperation they need from others.
APPENDIX H

PROCEDURAL JUSTICE SCALE
**Procedural Justice Scale**

**Structural (Formal) Dimensions**

The questions in this section ask you how you feel about the procedures used to make decisions in your organization. Indicate the extent to which you disagree or agree with each statement. To do this use the following scale:

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Moderately Disagree</th>
<th>Slightly Disagree</th>
<th>Neither Agree</th>
<th>Slightly Agree</th>
<th>Moderately Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The procedures used to make decisions in your organization:

1.  ...allow supervisors to get away with using an inconsistent approach in making decisions. 1 2 3 4 5 6 7
2.  ...are consistently applied from one time to the next. 1 2 3 4 5 6 7
3.  ...are consistently applied across different employees. 1 2 3 4 5 6 7
4.  ...make sure that any biases supervisors have will not affect the decisions they make. 1 2 3 4 5 6 7
5.  ...are unbiased. 1 2 3 4 5 6 7
6.  ...dictate the decisions made will not be influenced by any personal biases people have. 1 2 3 4 5 6 7
7.  ...make sure that the decisions made are based on as much accurate information as possible. 1 2 3 4 5 6 7
8.  ...take into account all the relevant information that should be when decisions are made. 1 2 3 4 5 6 7
9.  ...maximize the tendency for decisions to be based on highly accurate information. 1 2 3 4 5 6 7
10.  ...increase the likelihood that improper decisions will be changed. 1 2 3 4 5 6 7
11.  ...make it very probable that improper decisions will be viewed. 1 2 3 4 5 6 7
12.  ...provide an opportunity for the reversal of improper decisions. 1 2 3 4 5 6 7
13.  ...do not take into consideration the basic concerns, values, and outlook of employees. 1 2 3 4 5 6 7
14.  ...do not take into consideration the basic concerns, values, and outcomes of management 1 2 3 4 5 6 7
15.  ...guarantee that all involved parties can have their say about outcomes are received. 1 2 3 4 5 6 7
16.  ...ensure that all involved parties can influence decisions. 1 2 3 4 5 6 7
17.  ...are consistent with basic ethical standards. 1 2 3 4 5 6 7
18.  ...are not consistent with my own values. 1 2 3 4 5 6 7
19.  ...are unethical. 1 2 3 4 5 6 7

**Interpersonal (Interactional) Dimensions**

For this section, your "supervisor" refers to the person to whom you directly report. Circle the extent to which you disagree or agree with the following statements. To do this use the following scale:

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Moderately Disagree</th>
<th>Slightly Disagree</th>
<th>Neither Agree</th>
<th>Slightly Agree</th>
<th>Moderately Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
With regard to your supervisor carrying out the procedures at your organization, your supervisor:

1. ...considers your viewpoint.  
2. ...provides you with timely feedback about decisions and their implications.  
3. ...treats you with kindness and consideration.  
4. ...considers your rights as an employee.  
5. ...takes steps to deal with you in a truthful manner.  
6. ...provides reasonable explanations for the decisions s/he makes.  
7. ...gives adequate reasons for the decisions s/he makes.  
8. ...attempts to describe the situational factors affecting the decisions s/he makes.
APPENDIX I

DEBRIEFING STATEMENT
Debriefing Statement

PLEASE DETACH AND KEEP

Thank you for participating in this study. Please be assured that your participation in this study is completely anonymous and confidential. There are no right or wrong answers to the questions you were asked in this questionnaire. Individuals will respond similarly and differently, depending on their attitudes, beliefs, and experiences with organizational changes.

The answers that you have provided will help in the understanding of organizational communication during times of organizational change. Current research in the field of organizational communication is inconsistent and lacks empirical support. By understanding this construct better, organizations will be better equipped to help their employees deal with the effects of organizational change.

If you have any questions or concerns as a result of your participation in this research, please contact James Doran or Dr. Janelle Gilbert at (909) 880-5587. If you are interested in the results of this study, you may contact James Doran at the end of the Fall Quarter of 2001. Please do not reveal the nature of this study to other employees since they too are potential participants and it may affect the results of the study.

Again, your participation is greatly appreciated.
### Table 1
Frequencies and Percentages for Participant Demographics

<table>
<thead>
<tr>
<th>Question/Characteristic</th>
<th>f</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Position in the organization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary</td>
<td>12</td>
<td>5.8</td>
</tr>
<tr>
<td>Part-time</td>
<td>70</td>
<td>33.7</td>
</tr>
<tr>
<td>Full-time</td>
<td>126</td>
<td>60.6</td>
</tr>
<tr>
<td>2. Length of Service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>18</td>
<td>8.7</td>
</tr>
<tr>
<td>1 – 5 years</td>
<td>79</td>
<td>38.0</td>
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<td>6 – 10 years</td>
<td>75</td>
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</tr>
<tr>
<td>11 – 15 years</td>
<td>18</td>
<td>8.7</td>
</tr>
<tr>
<td>More than 15 years</td>
<td>18</td>
<td>8.7</td>
</tr>
<tr>
<td>3. Level of Education Completed</td>
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<td></td>
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<tr>
<td>Less than high school</td>
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<tr>
<td>High School graduate</td>
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<tr>
<td>Some college/technical school</td>
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<td>30.3</td>
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<tr>
<td>College graduate</td>
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</tr>
<tr>
<td>Graduate work</td>
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<td>12.0</td>
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<tr>
<td>4. Age (years)</td>
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<tr>
<td>Under 20</td>
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<td>41 – 50</td>
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<td>5</td>
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<tr>
<td>Over 50</td>
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<td>2.4</td>
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<td>Caucasian</td>
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<td>53.4</td>
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<tr>
<td>Asian</td>
<td>14</td>
<td>6.7</td>
</tr>
<tr>
<td>Other</td>
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<td>6. Gender</td>
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<td>Female</td>
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<td>60.6</td>
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\(N = 208\).
<table>
<thead>
<tr>
<th>Communication Type</th>
<th>M</th>
<th>SD</th>
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</thead>
<tbody>
<tr>
<td>Co-worker/informal (grapevine; gossip)</td>
<td>3.95</td>
<td>1.17</td>
</tr>
<tr>
<td>Co-worker/formal (info. by org.)</td>
<td>3.29</td>
<td>0.98</td>
</tr>
<tr>
<td>Supervisor</td>
<td>3.64</td>
<td>0.80</td>
</tr>
<tr>
<td>Top management (pres., corp. execs.)</td>
<td>1.92</td>
<td>1.08</td>
</tr>
<tr>
<td>Office meetings</td>
<td>3.95</td>
<td>0.60</td>
</tr>
<tr>
<td>Written memos/letters</td>
<td>3.32</td>
<td>0.91</td>
</tr>
<tr>
<td>Internal publications (newsletters)</td>
<td>2.63</td>
<td>1.05</td>
</tr>
<tr>
<td>E-mail</td>
<td>2.67</td>
<td>1.09</td>
</tr>
<tr>
<td>Office gossip</td>
<td>4.00</td>
<td>1.03</td>
</tr>
</tbody>
</table>

$N = 208.$
Table 3
Correlations Between Communication Dimensions and Employee Perception Variables

<table>
<thead>
<tr>
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<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
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<td>1.00</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Reliability</td>
<td>.67**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Comprehensiveness</td>
<td>.62**</td>
<td>.77**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Intention to Leave</td>
<td>.49**</td>
<td>.13</td>
<td>.17*</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Job Insecurity</td>
<td>-.42**</td>
<td>-.58**</td>
<td>-.49**</td>
<td>.01</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Organizational Cynicism</td>
<td>.28**</td>
<td>-.39**</td>
<td>-.15*</td>
<td>-.12</td>
<td>.22**</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>7. Procedural Justice</td>
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<td>.34**</td>
<td>.33**</td>
<td>-.33**</td>
<td>-.49**</td>
<td>-.10</td>
<td>1.00</td>
</tr>
</tbody>
</table>

*p<.05. **p<.01.
Table 4
Correlations Between Communication Sources, Communication Dimensions, and Employee Perceptions

<table>
<thead>
<tr>
<th></th>
<th>Informal/Gossip</th>
<th>Formal/Sanctioned</th>
<th>Supervisor</th>
<th>Top Management</th>
</tr>
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<tbody>
<tr>
<td>1. Timeliness</td>
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<td>.52**</td>
<td>.63**</td>
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<td>2. Reliability</td>
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<td>.69**</td>
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<tr>
<td>3. Comprehensiveness</td>
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<td>-.26**</td>
<td>.47**</td>
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</tr>
<tr>
<td>4. Intention to Leave</td>
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<td>.29**</td>
<td>.23**</td>
</tr>
<tr>
<td>5. Job Insecurity</td>
<td>.28**</td>
<td>.26**</td>
<td>-.24**</td>
<td>-.33**</td>
</tr>
<tr>
<td>6. Organizational Cynicism</td>
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<td>.16**</td>
<td>-.39**</td>
<td>-.34**</td>
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</tbody>
</table>

*p<.05. **p<.01.
Table 5
Correlations Between Communication Channels, Communication Dimensions, and Employee Perceptions

<table>
<thead>
<tr>
<th></th>
<th>Office Meeting</th>
<th>Memos</th>
<th>Newsletters</th>
<th>E-mail</th>
<th>Gossip</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Timeliness</td>
<td>-.16*</td>
<td>.34**</td>
<td>.52**</td>
<td>.05</td>
<td>-.56**</td>
</tr>
<tr>
<td>2. Reliability</td>
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<td>-.02</td>
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</tr>
<tr>
<td>3. Comprehensiveness</td>
<td>-.09</td>
<td>.37**</td>
<td>.53**</td>
<td>.11</td>
<td>-.24**</td>
</tr>
<tr>
<td>4. Intention to Leave</td>
<td>.03</td>
<td>-.09</td>
<td>-.03</td>
<td>-.15*</td>
<td>-.25**</td>
</tr>
<tr>
<td>5. Job Insecurity</td>
<td>-.05</td>
<td>-.32**</td>
<td>-.51**</td>
<td>.18**</td>
<td>.17*</td>
</tr>
<tr>
<td>6. Org. Cynicism</td>
<td>-.24**</td>
<td>-.37**</td>
<td>-.26**</td>
<td>.13</td>
<td>.59**</td>
</tr>
</tbody>
</table>

*p<.05; **p<.01.
Table 6
Correlations Between Organizational Communication and Employee Perception Variables

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Org. Communication</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Intention to Leave</td>
<td></td>
<td>.29**</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Job Insecurity</td>
<td></td>
<td></td>
<td>.01</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>4. Org. Cynicism</td>
<td></td>
<td></td>
<td></td>
<td>.21**</td>
<td>1.00</td>
</tr>
<tr>
<td>5. Procedural Justice</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.10</td>
</tr>
</tbody>
</table>

*p<.05. **p<.01.
APPENDIX K

FIGURES
Figure 1. Hypothesized model

- **E1**: Timeliness of Communication
- **E2**: Reliability of Communication
- **E3**: Comprehensiveness of Communication

Dimensions of Organizational Communication

Structural

E12
Figure 2. Path Analysis Model

Organizational Communication → Procedural Justice → Job Insecurity → Intention to Leave

Organizational Cynicism

E1 → E2 → E3 → E4 → E5
Figure 3. Path Analysis with Coefficients and Error Terms

Organizational Communication

- .98*
- .30*
- .23*

Procedural Justice

- .31*
- .22*
- .43*

Job Insecurity

- .97*

Intention to Leave

- 1.67*

-.09*

Organizational Cynicism

-.17*

*p < .05, unstandardized coefficients
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