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Perceived Fairness of a Child-care Subsidy in a Temporary Agency: An Equity Theory Approach

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ABSTRACT

An abstract of the thesis of Pamela Bermudez for the Master of Science in Psychology presented December 1, 1995.

Title: Perceived Fairness of a Child-Care Subsidy in a Temporary Agency: An Equity Theory Approach.

The purpose of this study was to extend research findings on perceived equity into the context of the contingent workforce by examining employees' perceived fairness of a child-care subsidy (i.e., distributive justice perception) in a temporary employment agency. The variables of interest to the study were perceived fairness, comparison other, input importance, organizational responsibility and family-friendliness. The variables were examined on three levels of subsidy status (i.e., subsidy group, parents/no-subsidy group, and non-parents group).

A cover letter and a questionnaire regarding perceived fairness of the child-care subsidy were mailed to all employees who had worked for the temporary agency in the last three years. In addition, a stamped self addressed envelope was attached, so respondents could mail the questionnaire directly to the researcher within 2 weeks. Respondents were instructed to anonymously answer the entire questionnaire, and to indicate the degree of their agreement or disagreement with respect to each of the statements in the questionnaire. Findings are based on 64 survey responses, which represented a return rate of 9.5%.
The data were analyzed using separate analyses of variance and regression analyses. Results indicated significant differences among parents with subsidy, parents without subsidy and non-parents on their perceived importance of inputs such as level of education, hours per week and "other" inputs (i.e., client satisfaction and work environment). Specifically, parents without subsidy perceived the level of education and the number of hours worked per week as more important inputs than did either the non-parents and the parents with subsidy. However, non-parents perceived the level of education and the number of hours worked per week as more important inputs than did the parents with subsidy. Furthermore, non-parents and parents without the subsidy perceived "other" inputs as more important input than did the parents with subsidy. Significant differences were also found between the subsidy group and no-subsidy group and perceived fairness. Specifically, the subsidy group perceived the child care subsidy as more fair than the no-subsidy group (i.e., parents without subsidy and non-parents). A significant interaction of the effect of family-friendliness on the relationship between subsidy status and perceived fairness was also found.
PERCEIVED FAIRNESS OF A CHILD-CARE SUBSIDY IN A TEMPORARY AGENCY: AN EQUITY THEORY APPROACH

by

PAMELA BERMUDEZ

A thesis submitted in partial fulfillment of the requirements for the degree of

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Perceived Fairness of a Child Care Subsidy Program in a Temporary Agency:
An Equity Theory Approach

Substantial economic, political and social changes over the past two decades have led to considerable transformation in both family and workforce structures. The family, for instance, has changed its composition from the so-called traditional family (the husband as breadwinner, the wife as homemaker, and two or more children), to a more non-traditional family composition or structure (Duxbury & Higgins, 1991; Friedman, 1990; Frone, Russell & Cooper, 1992; Goff, Mount & Jaminson, 1990; Neal, Chapman, Ingersoll-Dayton & Emlen, 1993; Schwarz & Armstrong, 1991). Examples of today's non-traditional family structure include dual earner couples, single parent families, families facing the demands of elder care, and homosexual couples, among others (Duxbury & Higgins, 1991; Friedman, 1990; Frone, et al., 1992; Goff, et al., 1990; Neal et al., 1993; Schwarz & Armstrong, 1991).

Furthermore, the major structural changes in the workforce include: (1) the increased participation of women in the labor force; (2) the decline in the growth of the workforce; and (3) the growth of contingent workers (e.g., independent professionals, free-lancers, part-timers, temporary, and subcontracted workers) (duRivage, 1992; Feldman, 1990; Friedman, 1990; Milkovich & Gomez, 1976; Neal et al., 1993). As a result of these changes, the current workforce faces an environment full of uncertainties about jobs and career development opportunities.

Although it should be obvious that the changes that have occurred in the workplace and the family are connected, the resulting conflicts have been
exacerbated because these two entities have been treated as if they were separate. As the family struggles to maintain a sense of togetherness and economic viability, while balancing its work and family roles (particularly caregiving), it has become increasingly evident that the family’s ability to resolve its work/family conflicts is directly tied to the resources of its members, their employers, and the community (Christensen & Staines, 1990; Duxbury & Higgins, 1991; Feldman, 1990; Friedman, 1990; Frone, et al., 1992; Greenhaus & Beutell, 1985; Goff, et al., 1990; Kossek, 1990, Kossek & Nichol, 1992; Neal, et al., 1993; Schwarz & Armstrong, 1991).

Family-Friendly Policies, Benefits, and Services

In order to remain productive and competitive, and to help working families reduce their work/family conflicts, organizations have been offering different types of "family-friendly" policies, benefits, and services (Neal et al., 1993). "Family-friendly policies" include alternative work schedules, alternative work places, relocation, parental/family leave, medical/personal leave, child care subsidies, and resource and referral services, among others (Christensen & Staines, 1990; Dunham, Pierce & Castaneda, 1987; Feldman, 1990; Friedman, 1990; Grover, 1991; Neal et al., 1993; Pierce & Dunham, 1992; Staines & Pleck, 1986).

Family-friendly benefits refer to those direct or indirect forms of compensation that protect an employee against loss of earnings or provide assistance with medical expenses, vacations, and personal needs (e.g., education, insurances, dependent-care) (Neal et al., 1993). Finally, family-friendly services refer to those specific programs designed to satisfy specific
groups of needs. Services may be part of some of the benefits, but benefits and services do not mean the same thing. For instance, a company may provide dependent-care benefits and, among these benefits the company may provide either an on-site care center, resource and referral information, subsidized child-care, vouchers, and/or, discounts for care (particular services or programs). Services may be of four different forms: (1) education; (2) information and referrals, oriented towards helping employees find child care arrangements and learn how to assess quality; (3) counselling and employee assistance programs; and, (4) direct services for care recipients such as: subsidies, vouchers, discounts, and cost-sharing, among others (Adolf & Rose, 1988; Auerbach, 1990; Friedman, 1990; Goff et al., 1990; Goldberg, Greenberger, Koch-Jones, O'Neil & Hamill, 1989; Kossek, 1990; Kossek & Nichol, 1992; Milkovich & Gomez, 1976; Mize & Freeman, 1989; Neal et al., 1993).

It has been suggested that corporate-sponsored child care programs are the fastest growing segment of family-friendly programs in America, since employers believe that these benefits will help them meet recruitment goals, increase productivity, and improve morale, as well as decrease absenteeism, tardiness, turnover, and employees' work/family stress (Adolf & Rose, 1988; Friedman, 1990; Goff et al., 1990; Neal, et al., 1993). However, a main issue related to employer-supported child care benefits is equity. Employers often fear that: (1) employees who are not parents will perceive the child care benefit as inequitable; and, (2) if they do not provide exactly the same benefit for all employees, they may be sued (Burud, Ascbacher & McCroskey, 1984;
Friedman, 1990; Neal et al., 1993). The above research findings are the result of studies developed in organizational contexts with full-time employees. Therefore, in an effort to extend research findings on perceived equity into the context of the contingent workforce, the present research proposal focuses on the employees' perceived fairness of an employer-subsidized child care program in a temporary agency.

**Employer-Sponsored Child Care Services**

Research findings demonstrate that in order to balance work/family life, fulfill caregiving responsibilities, and remain productive on the job, employed parents struggle to meet different caregiving-related needs. Among the most common needs are: availability, accessibility, quality, flexibility and affordability of child-care arrangements (Goff et al., 1990; Goldberg et al., 1989; Greenhaus & Beutell, 1985; Greenhaus, Parasuraman, Granrose, Rabinowitz & Beutell, 1989; Kossek, 1990; Kossek & Nichol, 1992; Milkovich & Gomez, 1976; Mize & Freeman, 1989; Neal et al., 1993; Vanderkolk & Young, 1991).

According to Friedman (1990), attempts to provide competitive family-friendly policies, benefits, and services began when companies started offering employer-sponsored child-care services in the form of on-site child care centers. Later, throughout the 1980's, approximately 600 companies were offering new services in the form of referrals, financial assistance, and sick child care. Today more than 5,400 employers provide "family-friendly" policies, benefits or services in the form of alternative work schedules, flextime, job sharing, work-at-home options, parental leaves, and financial assistance. However, the number of companies offering employer-sponsored child-care
programs represents only about 12% of the 44,000 American companies with at least 100 employees (Friedman, 1990).

Employer-sponsored child care is "a situation in which an employer, group of employers, or a labor union takes some initiative in meeting employees' child care needs and bears some or all of the cost" (Auerbach, 1990; p. 385). In particular, subsidized child-care services consist of having employers pay a portion of the overall cost of a certain child-care arrangement. Neal et al. (1993) assert that this form of employer-sponsored service has the advantage of allowing employed-parents to choose their own child-care arrangement. However, it also has the disadvantage of the high cost that the employer has to assume for such subsidies; as well as the equity issues that may originate when the subsidy is available only for those employees with children and/or lower levels of incomes.

Employer-sponsored child-care programs in the form of financial assistance (e.g., subsidized child-care) have been designed to help employees to affordably meet their child-care related needs. Affordability refers to: "the need to be able to pay for the care and services that are required to meet work and family-care responsibilities" (Neal et al., 1993; p. 250).

The most common child care option of employer-subsidized child-care is the Dependent Care Assistance Plan (DCAP) that was authorized under section 129 of the Internal Revenue code (Adolf & Rose, 1988; Burud et al., 1984; Friedman, 1990; Schwarz & Armstrong, 1991). This option allows employers to offer child-care as a tax-free benefit to employees, while employers themselves benefit from reduction in their taxes as well as from the
positive effects child-care programs have on turnover, absenteeism, productivity and other managerial concerns (Adolf & Rose, 1988; Burud et al., 1984; Friedman, 1990; Schwarz & Armstrong, 1991). DCAP programs can take one of three forms: (1) the employer can reimburse participating employees for their child care expenses; (2) the employer can make payments directly to providers of child care for children of employees; or (3) the employer can establish a child care service (on-site child care center, family day care, and the like) for children of employees (Adolf & Rose, 1988; Burud et al., 1984; Friedman, 1990; Schwarz & Armstrong, 1991). Nevertheless, research findings regarding the effects of DCAP programs on employees' attitudes and behaviors are controversial.

Milkovich and Gomez (1976) examined the effects of a day-care program on absenteeism, turnover and job performance. Results indicated that lower absenteeism and turnover rates were related to enrollment in the day-care program. However, no significant differences were found between users and non-users of the day-care program regarding job performance.

Similarly, Youngblood and Chambers-Cook (1984) examined the effect of on-site day-care on absenteeism. In this study, however, even though there was a negative correlation between enrollment in the on-site day care and absenteeism, it was not statistically significant. Likewise, Goff, et al. (1990) examined the effects of employer supported child care on work/family conflict and absenteeism. Consistent with Youngblood and Chambers-Cook (1984), their findings reported no significant differences between users and nonusers of on-site child care with respect to their levels of work/family conflict and
absenteeism. Yet, the results indicated significant relationships among supervisor support, satisfaction with child care arrangements and work/family conflict. Supervisor support and satisfaction with child care arrangements (regardless of location) were associated with less work/family conflict, which in turn, resulted in lower levels of absenteeism. Thus, because on-site child-care reduced work/family conflict, it had a positive but indirect effect on reducing absenteeism.

Consistent with Youngblood and Chambers-Cook (1984) and Goff et al. (1990), Kossek and Nichol's (1992) research findings regarding the effects of on-site child care on employee attitudes and performance showed that using on-site child care was related to less child care worries, but unrelated to absenteeism. Moreover, on-site child care was also unrelated to performance. In contrast, supervisors' perceptions of absenteeism due to child care were related to lower performance ratings. However, on-site child care was found to help increase recruitment and retention (Kossek & Nichol, 1992).

Neal et al. (1993) examined the effects of personal characteristics, work/family demands, and resources of caregivers on absenteeism and stress. Results indicated positive effects of personal characteristics, work/family demands, and resources on both absenteeism (days missed, arriving late/leaving early, interruptions at work), and stress. Specifically, being female, having a working partner, having multiple caregiving roles, dissatisfaction with child care, and difficulty in finding and continuing child-care arrangements were positively related to both absenteeism and stress. However, greater flexibility at work was negatively related to stress, but positively related to absenteeism.
The number of children under age 9 was not significantly related to either absenteeism or stress.

Kossek (1990) examined the moderating effects of demographic variables on problems with child-care arrangements, attitude toward managing work and child-care responsibilities, and absenteeism. Demographic variables included household employment configuration, use of familial care, dependent care profile, managerial status and gender. Results indicated that demographic variables, but not managerial status, were significant moderators of employee's problems with child-care arrangements, attitudes toward managing work and child-care responsibilities, and absenteeism. Specifically, being a single parent, using non-familial care, being the parent of toddlers/preschoolers, and being female helped explain much of the variance of employee's problems with child-care arrangements and attitudes toward managing work and child-care responsibility. For instance, users of non-familial care (e.g., day-care centers) reported significantly more child-care problems than families with a stay-at-home arrangement. Users of a mixed combination of familial and non-familial care reported fewer problems than those using only non-familial care, but more problems than those using only familial care. In addition, results showed that employees with child-care problems are less positive about their ability to manage child-care and work demands. However, demographic variables did not explain much of the variance in absenteeism.

Although the above research findings are inconclusive, they demonstrate the importance of investigating corporate-sponsored child-care programs, and provide significant support for the relationships between: (a)
satisfaction with child care arrangements and work/family conflict; and (b) work/family conflict and absenteeism. Considering the importance of employer-sponsored child-care programs, a main issue related to the introduction of any benefit that has been designed for the needs of a particular group of employees is equity. Therefore, since child-care subsidies allocate resources under certain conditions, the fairness with which this is done may be perceived differently among the employees. Hence, the purpose of the present research proposal is to assess the perceived fairness of a child-care subsidy under the assumptions of social justice theories. Specifically, this proposal is sustained on the basis of equity theory which has provided meaningful support for the study of perceived fairness.

Social Justice Theories

According to social justice theories, justice can take different forms in different social environments (Lerner, 1977). Consequently, the evaluation of justice is determined by the norms or principles of the particular social context. Moreover, justice is something relative to the perceiver and not an absolute (Lerner, 1977; Markovsky, 1985). That is, a person's perception of fairness is related to the person's sense of entitlement. Thus, a person's perception of fairness may be equally altered when that person receives either more or less than what that person thinks he/she deserves in conformity with the social norms or principles of the particular context (Lerner, 1977; Markovsky, 1985).

Equity theory, as one of the social justice theories in organizations, adds to traditional exchange theories the social motive of self-interest (a person's sense of being deserving) in order to maximize personal gains or
outcomes, and meet a standard which is defined as equitable within a particular social system (Donnenwerth & Tornblom, 1975; Lerner, 1977; Tornblom, 1977). The study of justice within the equity theory framework has played an important role regarding decisions on, evaluations of, and reactions to allocations of resources and rewards within an organizational context (Bagarozzi, 1982; Greenberg, 1987a; Lamm & Schwinger, 1980, 1983; Lind, Kurtz, Musante, Walker & Thibaut, 1980; Markovsky, 1985; McFarlin & Sweeney, 1992; Mikula, 1981).

**Equity Theory**

Equity theory states that in any given situation individuals form a ratio of their inputs (anything the individual feels he or she personally contributes in a given work setting such as specific skills, abilities, experience, etc.) to their outcomes (rewards or factors received that the individual perceives as relevant to the exchange, and that have a marginal utility for him/herself such as money, promotions, praise, benefits, status, etc.) (Adams, 1963, 1965; Grover, 1991; Gutknecht & Miller, 1990; Landy, 1989). Once the individual sets up the input/outcome ratio, then he/she compares it with the value of the ratio for "comparison other(s)" (a relevant reference person, or group of people, usually a co-worker with whom the person makes social comparisons of his/her inputs and outcomes). Thus, if the value of his/her ratio is perceived as equal or analogous to the value of the comparison other's ratio, the situation is perceived as equitable, and justice is perceived; but if the value is perceived as either larger or smaller the situation is perceived as unequal (Adams, 1963,
Equity theorists make three important assumptions. First, the fact that a personal attribute is considered as an input depends on whether or not the possessor recognizes its existence, and whether he or she perceives it as relevant for the exchange (Adams, 1963, 1965; Tornblom, 1977). Second, perceptions of equity or inequity depend on the individual's perception of his/her and the other's inputs and outcomes, and not necessarily on the actual inputs and outcomes (Adams, 1963, 1965; Tornblom, 1977). Finally, when expectations about how rewards should be allocated are violated there is both strain and pressure for social change (Adams, 1963, 1965; Donnenwerth & Tornblom, 1975; Lerner, 1977; Tornblom, 1977). In accordance with dissonance theory, as first postulated by Festinger (1957; cited by Adams, 1963, 1965), efforts to reduce inequity result from the individual's motivation to reduce the discrepancies (e.g., cognitive dissonance) and achieve equity.

Consequently, an individual's motivation to achieve equity will be proportional to the amount of perceived inequity, and will be oriented towards modifying the source(s) of dissonance or discrepancies (Adams, 1963, 1965). For instance, in order to reduce inequity, a person may: (1) increase or decrease his/her inputs if they are either low or high in comparison to the other's inputs, and his/her own outcomes (effort and productivity are the principal inputs susceptible to modification); (2) increase or decrease his/her outcomes if they are either low or high relative to other's outcomes, and his/her own inputs (e.g., wage or benefits increases); (3) "leave the field" (e.g.,
Subsidized Child Care

reassignment, absenteeism, or quitting the job); (4) cognitively distort his/her inputs and outcomes, or those of the referent person by increasing or decreasing them as required; and (5) change his/her comparison other (Adams, 1963,1965).

Even though the study of justice in organizations has been primarily framed within equity theory assumptions, it has been argued that the theory has not been especially useful. According to Cropanzano and Folger (1989) and Lerner (1977), the main conceptual shortcoming of equity theory is that it has emphasized reward allocation results in terms of input/outcome ratios as the standard by which fairness is evaluated under all circumstances. As a result of its reliance on proportional equity, it has ignored the reactions concerning the way those allocations were made.

Justice theorists have suggested that people may react differently to the same inequity, depending on what they believe about how that inequity was created, that is, by what means or procedures the rewards were allocated (Cropanzano & Folger, 1989; Greenberg, 1987a; Lerner, 1977). This distinction between the perceived fairness with respect to "what" the rewards are, and the means or "how" the rewards are allocated, has lead to two major forms of justice in organizations: distributive justice (or equity) and procedural justice (Ambrose, Harlan & Kulik, 1991; Bagarozzi, 1982; Bies & Shapiro, 1988; Conion, 1993; Cropanzano & Folger, 1989; Greenberg, 1987a, 1987b; Lamm & Schwinger, 1980,1983; Lind et al., 1980; Markovsky, 1985; McFarlin & Sweeney, 1992; Mikula, 1981; Tyler, 1987). The usefulness or predictive
value of either distributive and procedural justice will depend on the nature of the outcome in question.

Distributive justice refers to the perceived fairness with respect to the distribution of resources, that is, with respect to the amount of compensation an employee receives (Adams, 1963, 1965; Bagarozzi, 1982; Cropanzano & Folger, 1989; Donnenwerth & Tornblom, 1975; Greenberg, 1987a; Lamm & Schwinger, 1980, 1983; Lind et al., 1980; Markovsky, 1985; McFarlin & Sweeney, 1992; Mikula, 1981; Tornblom, 1977). Therefore, distributive justice has been suggested as a better predictor of such personal outcomes as job satisfaction and pay satisfaction (McFarlin & Sweeney, 1992).

In contrast, procedural justice refers to the perceived fairness regarding the means or procedures used to determine the amount of compensation an employee receives, that is, the fairness of the decision-making process used to make distributive decisions (Ambrose, Harlan & Kulik, 1991; Bies & Shapiro, 1988; Conlon, 1993; Greenberg, 1987b; Lind, Kanfer & Earley, 1990; McFarlin & Sweeney, 1992; Tyler, 1987). Therefore, procedural justice has been suggested as a better predictor of such organizational outcomes as organizational commitment (McFarlin & Sweeney, 1992). Since the present study is mainly interested in the employees' perceived fairness regarding the child-care subsidy in a temporary agency (i.e., a distributive justice perception), further discussion of the research findings regarding procedural justice is beyond the focus of this study.
Distributive Justice

According to Adams (1963, 1965), distributive justice exists under two conditions: (1) when the actor perceives that his/her's and the other's inputs and outcomes are equal; and, (2) when the actor perceives that even though the referent person has higher/lower outcomes than his/hers, those outcomes are proportional to the inputs of the referent person. Therefore, the magnitude of injustice is greater when both inputs and outcomes of a person and the significant other are dissimilar, than when only the inputs or the outcomes are different.

The similarity or dissimilarity of the input/outcome ratio of a person and the comparison other has been suggested as influencing perceived fairness depending on the social comparison the person makes with respect to the object of distribution (e.g., subsidized employed-parents) (Lerner, 1977; Tornblom, 1977). For instance, Lerner (1977) suggested three possible forms of social relations or comparisons that influence perceived fairness: identity, unit, and non-unit relations.

Identity relations. The identity relation exists when the comparison other and the perceiver are alike. Thus, the distinction between self and "other" is minimal. Identity relations are elicited whenever empathic involvement with the other occurs. Whatever the "other" experiences (e.g., pain or pleasure) it is felt as "one's own". The person is identified with anyone who is, was, or may be in the same position. As long as a person sees him/herself as potentially in the other's shoes, "that could be me", there is and identity relation between the
Unit and non-unit relations. The unity relation, on the other hand, exists when the perceiver and the comparison other are similar in some important aspect. Although the perceiver and comparison other are not alike, they still share similar perspectives and values, and engage in cooperative, helpful behaviors (Goodman & Friedman, 1971; Greenberg, 1987; Lerner, 1977). In contrast, the non-unit relation occurs when the comparison other and the perceiver have different values, attributes, status, etc., and engage in more competitive behaviors (Goodman & Friedman, 1971; Greenberg, 1987; Lerner, 1977).

Distributive principles. Research findings have identified three different allocation principles or social norms under which each form of relation to the object of distribution (identity, unit or non-unit) may take place: equity, equality, and need principles (Bagarozzi, 1982; Grover, 1991; Lamm & Schwinger, 1980, 1983; Lerner, 1977; Markovsky, 1985, 1988; Mikula, 1981).

According to the equity principle allocations should be proportional to the employee's contribution. In contrast, the need principle maintains that allocations should be proportional to the employee's needs. Finally, the equality principle states that allocations should be equal for all employees, regardless of their contributions or needs (Bagarozzi, 1982; Lamm & Schwinger, 1980, 1983; Mikula, 1981).

In addition, it has been suggested that specific social contexts lead to definite forms of relation to the object of distribution (identity, unit, or non-unit)
and to particular conditions under which each of the three allocation principles (equity, equality, and need) will be perceived as fair (Bagarozzi, 1982; Lamm & Schwinger, 1980, 1983; Markovsky, 1985; Mikula, 1981). For instance, the equity principle is suggested to be applicable within economically-oriented situations where interpersonal relationships and emotions are neutral (Markovsky, 1985; Mikula, 1981). In contrast, the need principle is suggested to be preferred in assistance-oriented situations where there exists a close relationship among recipients and an interest in promoting the other members’ well-being and personal development (Lamm & Schwinger, 1980, 1983; Markovsky, 1985; Mikula, 1981). Finally, the equality principle is suggested to be better applicable in solidarity-oriented situations where positive affective interpersonal relationships exist, and where people perceive a common identity (Bagarozzi, 1982; Markovsky, 1985; Mikula, 1981).

According to Lerner (1977) when the perceiver shares unit relations with the object of distribution, he/she is more likely to prefer equality and/or need distribution principles. Correspondingly, Bagarozzi (1982) found that people prefer the equality principle for distributing resources among those who are attracted to each other; while Lamm and Schwinger (1980, 1983) found that people prefer the need principle for distributing resources among those who are attracted to one another.

In Grover’s (1991) study regarding the perceived fairness of parental leave, it was found that one significant factor that influenced the relation to the object of distribution (e.g., beneficiaries of parental leave) is whether or not the perceiver is a parent. Parents were more likely to judge parental leave as more
fair than non-parents. Even though not all parents benefit from leave policies, they are more likely to perceive it as fair due to their previous experience in balancing the dual demands of parenting and working. Thus, they recognize the need for parental leave as legitimate, consistent with the unit relation-comparison concept of Lerner (1977).

Grover (1991) suggests that another variable that influences perceived fairness in relation to the object of distribution (beneficiaries) is whether the perceiver holds either traditional or contemporary beliefs about the roles of women in the workforce. Individuals holding traditional beliefs (e.g., that women should stay at home with the children and men should work) were more likely to perceive parental leave policies as unfair, consistent with the non-unit relation of Lerner (1977). In contrast, individuals holding more contemporary beliefs (e.g., that women and men both have work and family responsibilities) were more likely to perceive the parental leave as fair.

Burud et al. (1984), in their review of the data on the benefits of employer-supported child care, taken from the survey conducted by the National Employer Supported Child Care Project in 1982, suggest that non-benefitting employees do not perceive child-care benefits as inequitable when: (1) non-parent employees perceive they are also being benefited in some way; (2) employees perceive the company that supports child care as interested in the workers' needs; (3) employees who are not using the benefit perceive it as an alternative for the future, or recall the struggle they went through in the past; and (4) employees understand that different groups of employees benefit from different services depending on their needs. Because information
regarding the methodological aspects of the study was not provided, the present study is aimed at corroborating these findings in a scientific manner.

The above research findings confirm the importance of distributive justice concepts to achieving an understanding of employees' perceptions of fairness. Since there is no published research regarding distributive justice within the context of temporary agencies, the present study will extend the application of distributive justice concepts by investigating the perceived fairness of a child-care subsidy (i.e., a distributive justice perception) in a temporary agency.

The Present Study

From the literature review discussed above it is evident that the family's ability to balance work and child care responsibilities is directly tied to the resources of its members, their employers, and the community. For the purpose of this study the resources provided by the employer were the main concern; specifically, financial resources provided by the employer in the form of employer-sponsored child care subsidies. However, because child-care subsidies were offered to help meet the needs of a particular group of employees, such subsidies could be perceived as an inequitable benefit. Thus, considering the importance of employer-sponsored child-care programs, an important issue related to the introduction of any benefit that has been designed for the needs of a particular group of employees is equity.

Nevertheless, according to Pinder (1984), previous research findings on perceived equity are controversial because of their methodological limitations. First, many of the studies which attempted to test equity theory's predictions
had been predominantly carried out in laboratory settings, with college
students, on tasks of limited realism, using experimental induction, and
generally had covered short periods of time. Second, previous studies had
ignored the issue of which comparison other experimental subjects used to
compare themselves; or in those studies where the comparison other had
been identified, researchers had failed to control or observe the types and
amounts of information concerning the inputs being provided by the subjects.
Third, researchers had focused on the manipulation of experimental payment
conditions as the outcome examined (Pinder, 1984). These are important
considerations since employee reactions might be different based on the
comparison other(s) they used and the outcome assessed.

Therefore, the present research attempted to extend research findings
on perceived equity into real-life settings, and to overcome the methodological
limitations of previous research within equity theory by: (a) applying equity’s
theory predictions in a field-setting (i.e., a temporary employment agency); (b)
asking participants to choose and indicate their comparison other(s); (c)
asking participants to indicate the perceived importance of different inputs;
and, (d) considering an outcome different from previous experimental payment
conditions (i.e., child-care subsidy). Since there is no published research
regarding distributive justice within the context of a contingent workforce, the
present study examined employees’ perceived fairness of a child-care subsidy
(i.e., distributive justice perception) in a temporary employment agency. In
doing this, the study would bring about important theoretical and practical
contributions.
From a theoretical perspective, the main assumption of equity theory is that people tend to hold perceptions about the number and value of their contributions at work (e.g., education, seniority, hours worked), and about how well these contributions were recognized and rewarded. In addition, people hold beliefs about the nature and quantity of the outcomes they received as a result of doing their job (e.g., pay, fringe benefits, opportunities for development) (Goodman & Friedman, 1971; Greenberg, 1987; Lerner, 1977; Pinder, 1984). Moreover, perceptions of how well the outcomes corresponded to the inputs or contributions are formed in a social context in which people tend to compare how well they are being treated with how well they believe others are being treated (Goodman & Friedman, 1971; Greenberg, 1987; Lerner, 1977; Pinder, 1984).

Correspondingly, people will pay attention to a variety of inputs provided by themselves and by the comparison other(s); people may recognize a variety of outcomes (e.g., nonmonetary, nonphysical) as they form the mental images about how equitable they are being treated; and people may tend to use more than one comparison other at a time. Comparisons may be either with him/her self in the past, with co-workers in the same industry ("local" comparisons), and/or with workers of similar industries ("referent" comparisons) (Goodman & Friedman, 1971; Greenberg, 1987; Lerner, 1977; Pinder, 1984). Therefore, the following research questions and hypotheses were examined:

Research question 1: What is the relationship between the subsidy status (i.e., subsidy group, parents/no-subsidy group, non-parents
Subsidized Child Care

Research question 2: What is the relationship between the subsidy status (i.e., subsidy group, parents/no-subsidy group, non-parents group), the perceived input importance, and the perceived fairness of the child-care subsidy program?

Since the child care subsidy in the present study had been distributed on the basis of the need principle—employees who need it (e.g., child-rearing employed parents) get it, while those who do not need it (non-parents or non-child-rearing employed parents) do not, the following hypotheses were tested in conformity with the "identity relation" to the object of distribution concept, according to which the perceiver and the comparison other are, were, or expect to be in identical positions.

Hypothesis 1: Employees who benefit from the subsidy will perceive the child-care subsidy as more fair than those employees who do not benefit from the subsidy.

In conformity with Lerner's (1977) unit relations, according to which the perceiver and the comparison other are similar in some way (e.g., values, attributes), and Grover's (1991), and Lamm and Schwinger's (1980, 1983) research findings, employees who share a unit relation with beneficiaries of the child-care subsidy will perceive it as more fair than those who hold non-unit relations. Specifically:

Hypothesis 2: Employees who are parents but do not receive the subsidy will perceive the child-care subsidy as more fair than non-parents.
From an applied perspective, the present study would extend the understanding of distributive justice concepts into real-life settings. Even though Grover's (1991) study of perceived fairness of parental leave policies is an exception from lab research, the study was developed in a traditional organizational context (i.e., university) of full-time employees. Thus, by extending the study of distributive justice concepts into the context of temporary agencies, and particularly with regard to the perceived fairness of an employer-sponsored child-care program (i.e., child-care subsidy) this study would contribute to the understanding of work motivation within the growing segment of contingent workers.

While there is no published research on the perceived equity of employer-sponsored child-care programs, there are reasons for believing that, in practice, the perceived sensitivity and responsiveness of the organization moderates the feelings of inequity among employees. For instance, one reason for this belief is the assumption that when a person is evaluating the fairness of an outcome he/she may take into account different inputs and different comparison other(s) at a time (Goodman & Friedman, 1971; Greenberg, 1987; Lerner, 1977, Pinder, 1984). Therefore, an employee's perceived fairness of an organizational benefit (e.g., child-care benefits) might be moderated by the employee's perception that organizations should be socially responsible. This perception may be understood as a general or global perception that all organizations should be socially responsible to provide services and benefits for employees' dependent-care needs. Support for this assumption was also provided by Burud et al. (1984) findings.
Another reason for the belief that the perceived sensitivity and responsiveness of the organization moderates the feelings of inequity among employees is the assumption that an employee's ability to balance work/family conflicts is directly tied to the resources of his/her family, the employer and the community (Christensen & Staines, 1990; Duxbury & Higgins, 1991; Feldman, 1990; Friedman, 1990; Frone, et al., 1992; Greenhaus & Beutell, 1985; Goff, et al., 1990; Kossek, 1990, Kossek & Nichol, 1992; Neal, et al., 1993; Schwarz & Armstrong, 1991). Therefore, an employee's perceived fairness of an organizational benefit (e.g., child-care benefits) might be moderated by the employee's perceived organizational family-friendliness. Support for this assumption was also found on Burud et al. (1984) findings.

Family-friendliness might be understood as the specific perception that a particular organization provides services and benefits for employees' dependent-care needs. Accordingly, the following research questions were examined:

**Research question 3:** What is the relationship between the subsidy status (i.e., subsidy group, no-subsidy/parents group, no-subsidy/non-parents group), the perceived organizational social responsibility, and the perceived fairness of the child-care subsidy program?

**Research question 4:** What is the relationship between the subsidy status (i.e., subsidy group, no-subsidy/parents group, no-subsidy/non-parents group), the perceived organizational family-friendliness, and the perceived fairness of the child-care subsidy program?
Method

Sample

Data were gathered in a temporary employment agency which, for the last five years had offered Dependent Care Assistance in the form of a child-care subsidy to all child-rearing employed-parents. The temporary agency in this study is a private corporation locally owned and operated which has been providing the Portland area with skilled professional, technical, and clerical temporary employees for more than twelve years.

Temporary employment agencies, in contrast to traditional organizational settings, are those companies which hire and train employees -- referred to as temporary employees-- to support or supplement their client's (traditional employment companies) existing workforces for limited periods of time in situations such as employee absences, temporary skill shortages, seasonal workloads, and special assignments and projects (duRivage, 1992).

Although temporary employees perform duties for a traditional employment company either on a part- or full-time basis, they are hired by the temporary employment agency which assumes responsibility for the legal and governmental issues regarding them.

The child-care subsidy offered by the temporary agency in this study consists of 75 cents per hour of child-care. This money is paid directly to the child care provider, representing tax-free income to the employee. To qualify: (1) the child care provider must be a certified child-care center, a certified family care, an unrelated provider who cares for the employee's children in the provider's home, or a relative at least 19 years of age who lives independently
of the employee in the state of Oregon; (2) the child for whom the child-care expenses are incurred must be claimed as a dependent child on the employee's federal income tax return, and must be under the age of 13, or older if physically/mentally incapable of caring for him/herself; and (3) the child-care subsidy is the only tax-deductible financial support the employee receives (e.g., no additional assistance provided by the spouse's employer).

A cover letter (see Appendix A), and a questionnaire to be answered anonymously (see Appendix B) were sent to all employees who worked for the temporary agency for at least 80 hours during the past three years (1995, 1994, 1993), including: professionals, technicians, and clericals, males and females, married and single, those with children and those without children, those who had received subsidy and those who had not received subsidy. A total of 674 surveys were sent: 86 employees had worked for [company's name] clients during 1995; 96 employees had worked for the temporary agency's clients during 1995 and 1994; 29 employees had worked for the agency's clients during 1995 and 1994 and 1993; 150 employees had worked for the agency's clients during 1994; 112 employees had worked for the agency's clients during 1994 and 1993; 188 employees had worked for the agency's clients during 1993; 13 were staff members.

Respondents were instructed to answer anonymously the entire questionnaire, and to indicate the degree of their agreement or disagreement with respect to each of the statements in the questionnaire. In addition, a stamped self addressed envelope was attached, so respondents could mail the
questionnaire directly to the researcher. Findings are based on 64 survey responses, which represented a return rate of 9.5%.

Measures

The questionnaire used in this study was part of a larger survey regarding the perceived efficacy of the child-care subsidy which has been in existence for the last five years. The questionnaire items of interest were measures of perceived fairness, as well as coded items concerning demographic information (see Appendix B).

**Gender.** This variable was coded as 1 for female, and 2 for male.

**Employment status.** Employment status was measured with four items written for this study in which respondents indicated: (a) how long have they been working for [Company's name] (seniority); (b) whether or not they are working for an agency's client at the measuring time; (c) the actual number of hours worked per week; and (d) the actual number of days worked per week.

**Job classification.** This variable was measured with two items in which respondents were asked to classify their job position by indicating whether it was (1) professional; (2) secretarial/clerical; or (3) technical/paraprofessional, among other job classifications (item number 4). In addition, respondents were asked to indicate their current job status as either full-time, part-time or specially hourly (item number 5).

**Parenthood and child-rearing status.** This variable was measured with two items in which respondents were asked to indicate whether or not they were parents, as well as the number and age of their children (items number 9,
10). Respondents who were parents and had children under age 13 living in their household were referred as child-rearing parents.

**Subsidy status.** Subsidy status (independent variable) was measured with three items in which respondents indicated whether or not they were receiving the benefit at the measuring time, had received it in the past, or expected to receive it in the future (items number 11, 12, 13). Respondents who were parents and answered YES to any of these items were coded as "subsidy group"; respondents who were parents and answered NO to all of these items were coded as "parents/no-subsidy group"; and, respondents who were not parents and answered NO to all of these items were coded as "non-parents group". The parents/no subsidy group, however, might include those parents who have children under age 13, but who did not received the subsidy in the past, or were not receiving it at the measuring time because they were not eligible for the child-care subsidy based on the program policy (e.g., they may have received child-care financial assistance from the spouse's employer).

**Perceived Fairness.** The perceived fairness (dependent variable) measure consisted of the nine-item scale developed by Grover (1991). The items were adjusted for the purpose of the study, so that they referred to the child-care subsidy and not to parental leave as was first designed. The scale consisted of two items explicitly addressing fairness (items 31 and 40); three items assessing parental deservingness (items 33, 36, and 38); and, four items assessing organizational responsibility (items 34, 35, 37, and 42) within a 5-
point Likert scale ranging from (1) strongly agree to (5) strongly disagree (internal reliability was established; coefficient alpha = .95).

**Perceived organizational social responsibility.** The perceived organizational social responsibility (moderator) was measured with 4 items. Of these, 3 were taken from Grover's (1991) perceived fairness scale (questions 34, 35, 37 and 42). The fourth item (question 43) was written for this study. Respondents were asked to indicate whether organizations should be socially responsible to provide services and benefits for employees' dependent-care needs on a 5-point Likert scale ranging from (1) strongly disagree to (5) strongly agree.

**Perceived organizational family-friendliness.** The perceived organizational family-friendliness was measured with 3 items written for this study (questions 32, 39 and 41). Respondents were asked to indicate whether [company's name] was family-friendly by providing the child-care subsidy for child-rearing parents on a 5-point Likert scale ranging from (1) strongly disagree to (5) strongly agree.

**Comparison other.** Comparison other was measured with a single item written for this study. On a 5-point Likert scale ranging from (1) very untrue to (5) very true, respondents were asked to indicate whether they compare themselves to: a "local" comparison other (e.g., a co-worker in the same company); a "referent" comparison other (e.g., any temporary employee in the industry); or to themselves in the past, when assessing the fairness of their salary and benefits (item 44).
Perceived INPUT importance. The perceived input importance was measured with a single item written for this study. On a 5-point Likert scale ranging from (1) very unimportant to (5) very important, respondents were asked to indicate the importance of: level of education, hours worked per week, number of assignments in the past, responsibility in the assignments, schedule flexibility, and other inputs, when determining their performance as a [company name] employee (item 45).

Procedure

A cover letter (see Appendix A), and the questionnaire regarding perceived fairness of the child-care subsidy were mailed to all employees who had worked for the temporary agency in the last three years. In addition, a stamped self addressed envelope was attached, so respondents could mail the questionnaire directly to the researcher within 2 weeks. Respondents were instructed to anonymously answer the entire questionnaire, and to indicate the degree of their agreement or disagreement with respect to each of the statements in the questionnaire.

Results

Descriptive Statistics

Table 1 presents descriptive statistics for the major demographic variables of the study (N = 64, response rate of 9.5%) by subsidy status (i.e., subsidy group, parents/no-subsidy group, non-parents group). Table 2 presents descriptive statistics for the major study variables by the subsidy status. The subsidy group (n = 17) consisted of all parents who received the subsidy in the past, or were receiving the subsidy at the measurement time,
and/or expected to receive the subsidy in the future. One hundred percent \((n = 17)\) of the subsidy group were female. The parents/no-subsidy group \((n = 11)\) consisted of all parents who had never received the subsidy in the past, and were not receiving the subsidy at the measurement time, and did not expect to receive the subsidy in the future. Of the parents/no-subsidy group 81.9\% \((n = 9)\) were female, while 18.1\% \((n = 2)\) were male. The non-parents group \((n = 36)\) consisted of all respondents who were not parents and did not expect to receive the subsidy in the future. Of these, 77.8\% \((n = 28)\) were female while 22.2\% \((n = 8)\) were male.

**Research Questions and Hypotheses**

In order to explore research question 1, which examined the relationships among the subsidy status, choice of a comparison other, and the perceived fairness of the child-care subsidy program, two-way ANOVAs were conducted with perceived fairness as the dependent variable, and subsidy status and comparison other as the independent variables (see Tables 3 through 6). Due to the small sample size, responses for each comparison other alternative were recoded to reflect nominal scaling. Three nominal categories were used (i.e., true, untrue, and neither true nor untrue). Responses rated 1 or 2 were recoded as (1) untrue; responses rated as 4 or 5 were recoded as (2) true; and, responses rated as 3 remained as (3) neither true nor untrue.

Two out of the six comparison others were dropped from the analysis (i.e., other temporary jobs in the past and what his/her worth as an employee is) because they were infrequently chosen by members of the sample as useful comparisons. Thus, four two-way ANOVAs were conducted using a 3 (subsidy
status) x 3 (comparison other) factorial design. Results listed in Tables 3 through 6 indicate that of the four comparison others in the analyses (i.e., other company workers, others with similar temporary jobs at other companies, what is needed to support the family, professional or occupational group averages) none had significant main effects, or significant interaction effects on perceived fairness.

Research question 2 examined if there would be a relationship between the three subsidy status groups (i.e., subsidy group, parents/no-subsidy group, non-parents), and input importance (i.e., level of education, hours worked per week, number of assignments with the company, responsibility in the assignment, schedule flexibility, other inputs) and the perceived fairness of the child-care subsidy program. In order to examine this research question, separate hierarchical regression analyses were conducted for each input, in which the main effects for subsidy status and the specific input importance were entered in the first step, and the interactions between variables were entered in the second step (see Tables 7 through 12). Subsidy status was dummy coded by membership in the subsidy group (i.e., subsidy group), and by non-membership in the subsidy group (i.e., no-subsidy group).

Results indicated that none of the regressions of perceived fairness and subsidy status and each of the six input importance categories was significant. The change in $R^2$ as a result of entering the interaction between subsidy status and each input failed to show significant interaction effects for all of the six inputs.
To further explore the effect of perceived input importance on subsidy status, a one-way ANOVA was conducted for each of the six inputs (see Tables 13 through 18). Input importance was recoded from the original 5-point response scale into a 3-point rating scale reflecting nominal categories. Responses rated 1 or 2 were recoded as (1) unimportant; responses rated as 4 or 5 were recoded as (2) important; and, responses rated as 3 remained as (3) neither important nor unimportant.

Three of the six inputs, level of education $E(2, 50) = 3.49, p \leq .05$, hours worked per week $E(2, 50) = 4.03, p \leq .05$; and, "other inputs" (e.g., client satisfaction and work environment) $E(2, 16), p \leq .05$ showed significant differences between the groups (see Tables 13, 14, and 18). Student-Newman-Keuls tests using a significance level of $p < .05$ were conducted for each post-hoc analysis. Results indicate that level of education and hours worked per week were more important inputs for parents/no-subsidy than for non-parents. "Other" inputs (e.g., client satisfaction and work environment) was a more important input for parents/no-subsidy and non-parents groups than for the subsidy group.

Hypothesis 1, the identity relation hypothesis, stated that employees who benefit from the subsidy (i.e., the subsidy group) will perceive the child care subsidy as more fair than those employees who do not benefit from the subsidy (i.e., the parents/no-subsidy and the non-parents groups). The top half of Table 19 shows that, in the present sample, there were significant differences between the means of the subsidy group and no-subsidy group.
(i.e., the parents/no subsidy group, and the non-parents group), \( t = 1.77, p \leq .05 \). Thus, the identity relation hypothesis was supported at \( p \leq .05 \) level.

Hypothesis 2, the unit relations hypothesis, argued that employees who are parents but do not receive the subsidy will perceive the child-care subsidy as more fair than non-parents. The bottom half of Table 19 indicates that, among the no-subsidy group, parents without subsidy did not perceive the child care subsidy as more fair than non-parents. Results failed to support the unit relation hypothesis at the \( p \leq .05 \) level. In fact, on scales that ranged from \textit{strongly disagree} (1) to \textit{strongly agree} (5), both parents without subsidy (unit relation) and non-parents (non-unit relation) averaged slightly over the midpoint.

Research question 3 examined if would be a relationship between the three subsidy status groups, and organizational responsibility and the perceived fairness of the child-care subsidy program. Specifically, it was suggested that the effects of subsidy status on perceived fairness would be dependent on employees' perception of the organization's social responsibility. This research question was examined with a hierarchical regression analysis in which the main effects for subsidy status and organizational responsibility were entered in the first step, and the interaction between variables was entered in the second step. Subsidy status was dummy coded by membership in the subsidy group and by non-membership in the subsidy group. As shown in Table 20, organizational responsibility had a significant main effect on perceived fairness (\( \beta = .94, p = .00 \)). However, the change in \( R^2 = .002, F (5,47) = .64, p = .52 \) as a result of entering the interaction between subsidy status and
organizational responsibility was not significant. Thus, results failed to support the moderator effects of organizational responsibility as predicted in research question 3.

Research question 4 explored the relationship between the subsidy status, family-friendliness and perceived fairness. Specifically, it was suggested that the effects of subsidy status on perceived fairness would be dependent on employees' perception of their organization as being family-friendly. In order to explore this research question, a hierarchical regression analysis in which the main effects for subsidy status (dummy coded) and family friendliness were entered in the first step, and the interaction between variables was entered in the second step (see Table 21).

The regression analysis of perceived fairness on subsidy status and family friendliness revealed significant main and interaction effects. Perceived fairness was significantly influenced by the interaction between subsidy status and family-friendliness. The change in $R^2$ as a result of entering the interaction was $0.14$, $F(5,53) = 5.52$, $p < 0.05$. Thus, among the subsidy status groups, perceptions of fairness were dependent on an employee's perception of the company as being family-friendly. Furthermore, significant main effects were found. Specifically, subsidy group ($\beta = 1.56$, $p = 0.01$), no-subsidy group ($\beta = 2.22$, $p = 0.003$), and family-friendliness ($\beta = 0.68$, $p = 0.000$) were significant predictors of perceived fairness. The overall $R^2$ for this regression equation was $0.32$, $F(5,47) = 5.12$, $p = 0.000$.

In order to further investigate the nature of the interaction, the prediction equation ($Y'$) for the relationship between family-friendliness and
perceived fairness for the subsidy group, parents/no-subsidy group, and non-parents group was plotted. Figure 1 demonstrates the interaction of perceived fairness and subsidy status (i.e. subsidy group, parents/no-subsidy group, non-parents group), indicating positive relationships between family-friendliness and non-parents, and, between family-friendliness and subsidy group. Therefore, as perceived family-friendliness increases, there is also an increase in perceived fairness for both groups. In contrast, a negative relationship was shown between family-friendliness and parents/no-subsidy group. That is, as perceived family-friendliness increases, perceived fairness decreases for parents/no-subsidy group.

Further investigation of figure 1 indicates that the interaction appears to be primarily due to those respondents who indicated low levels of family-friendliness. Examination of the direction of those means indicates that parents without the subsidy had the highest perceived fairness, the non-parents had the lowest perceived fairness, and the subsidy group was in between. However, caution should be used when interpreting the interaction based on the group means, since less than 10 people actually indicated low levels of family-friendliness. Hence, the interaction could be due to outliers.

Discussion

The purpose of the present study was to extend research findings on perceived equity by examining employees' perceived fairness of a child-care subsidy program in a temporary employment agency. Thus, the following discussion is organized around the two main themes of this research: (a) the effects of comparison other, input importance, and social relations with the
object of distribution (i.e., identity, unit, and non-unit relations) on perceived equity as implied within the framework of Equity theory (i.e., theoretical implications); and (b) the moderator effects of perceived organizational social responsibility and family friendliness on perceived fairness as suggested from an applied perspective (i.e., practical implications).

Theoretical Implications

From a theoretical perspective, the main assumption of equity theory is that people tend to hold perceptions about the number and value of their contributions at work (inputs), and how well these contributions are recognized and rewarded by the organization (outcome), (Adams, 1963, 1965). Moreover, perceptions of how well the outcomes correspond to the contribution are the result of social comparisons in which people compare themselves with either themselves in the past, with co-workers in the same industry (local comparisons), and/or with workers of similar industries (referent comparisons). Therefore, perceived equity will depend on how people perceive that their contributions correspond to their outcomes when comparing to their referent "other(s)" (Goodman & Friedman, 1971; Greenberg, 1987; Lerner, 1977; Pinder, 1984). Furthermore, a personal attribute is considered as an important input as long as it is relevant to the exchange. Thus, perceptions of equity depend on the individual's perception of his/her and the other's inputs, and not necessarily on the actual inputs and outcomes (Adams, 1963, 1965; Tornblom, 1977).

This study attempted to overcome the limitations of previous studies of perceived equity by: (a) applying equity theory predictions in a field-setting (i.e.,
a temporary employment agency); (b) asking participants to choose and indicate their comparison other(s); (c) asking participants to indicate the perceived importance of different inputs; and, (d) considering an outcome different from previous experimental payment conditions (i.e., child-care subsidy). Likewise, this study investigated the effects of comparison other(s) and input importance on perceived equity (research question 1 and 2 respectively).

Contrary to the assumptions about comparison other, results of the analysis of variance indicated that none of the comparison other(s) in this study (i.e., other company workers, others with similar temporary jobs at other companies, other temporary jobs in the past, professional or occupational group averages, what is needed to support the family, what is worth as an employee) had significant effects on perceived fairness of the child-care subsidy. However, these results which contradict Equity theory assumptions might be due to psychometric limitations in measuring the number and nature of the comparison other, in addition to the limitations associated with the small sample size in this study. These limitations will be discussed later.

On the other hand, results of the analysis of variance regarding the perceived input importance indicated that out of the six inputs suggested in the study (level of education, hours worked per week, number of assignments with the company, responsibility in the assignments, schedule flexibility, and "other"), only three inputs: level of education, hours worked per week, and "other" (e.g. client satisfaction and work environment) were significantly different across the subsidy status groups. Specifically, parents without
subsidy perceived the level of education and the number of hours worked per week as more important inputs than did either the non-parents and the parents with subsidy. However, non-parents perceived the level of education and the number of hours worked per week as more important inputs than did the parents with subsidy. With the expansion of technology, and the proliferation of numerous diverse software programs temporary employees need to be highly experienced and skilled. In addition, since temporary employees are used by business to help cope with work overloads and special projects, highly skilled employees available to work long hours are highly preferred. Thus, these results might suggest that perhaps in order to achieve competitive skills and fulfill the clients' needs; parents without the subsidy need struggle more to balance work and family demands which might not be the case with non-parents.

Furthermore, non-parents perceived "other" inputs (i.e., client satisfaction and work environment) as more important input than did either the parents with subsidy and the parents without subsidy. However, parents without the subsidy perceived "other" inputs as more important than did the parents with subsidy. These results might suggest that perhaps there are inputs different from the ones provided by the employee (e.g. skill, experience, etc.) such as client satisfaction and work environment, which are also perceived as important for the exchange (i.e., perceived equity) among temporary employees. A major assumption in equity theory is that whether or not an input is important for the exchange is related to the employee's perception of that input as relevant, rather than whether it is an actual input or
not. Then, the difference across the subsidy group regarding the perceived importance of such other inputs might suggest that perhaps perceived input importance is related to employees' work motivation and job-related expectations among temporary employees. For instance, it might be that perhaps non-parents as well as parents without the subsidy might be motivated to work on temporary jobs because of a desire to find personal fulfillment and professional achievement in diverse organizational settings and, consequently, inputs such as client satisfaction and work environment would be perceived as important. In contrast, parents with subsidy might seek temporary jobs perhaps as a means of balancing work and family demands and find financial stability. These relationships, however, need to be explored in future research.

The fact that the number of assignments with the company, responsibility in the assignments, and schedule flexibility were not found to be significantly important inputs does not mean that they are not relevant among temporary employees. What it means is that for the sample of this study these inputs were not perceived as important for the exchange. It might be that perhaps the participants of this study felt that the number of assignments with the company, responsibility in the assignments, and their schedule flexibility were just fine. As discussed before, perceptions of equity depend on the individual's perception of his/her and the other's inputs, and not necessarily on the actual inputs and outcomes (Adams, 1963, 1965; Tornblom, 1977). These results are consistent with the assumption that people will pay attention to different inputs provided either by themselves or by others.
Furthermore, since the child care subsidy in the present study was distributed to help meet the needs of a particular group of employees (i.e. child-rearing employed parents with children under age 13), such a benefit may be perceived as an inequitable benefit depending on the relation an individual holds with the beneficiaries. In order to test the "identity relation" to the object of distribution, employees who benefit from the subsidy were expected to perceive the child-care subsidy as more fair than those employees who do not benefit from it. In addition, in order to test the "unit relation" to the object of distribution concept, employees who are parents but do not receive subsidy were expected to perceive the child-care subsidy as more fair than non-parents.

In conformity with Lerner's (1977) identity relation, and Grover's (1991) research findings, t-test analysis showed significant mean differences between the subsidy group (parents with subsidy) and no-subsidy group (parents without subsidy and non-parents). Thus, results supported the identity relation hypothesis. In contrast, results failed to support the unit relation hypothesis. T-test analysis showed no significant mean differences between parents without subsidy and non-parents, contrary to the unit relation hypothesis and Grover's (1991) findings. Although no statistically significant group differences were observed, the magnitude of the perceived fairness mean of parents with no subsidy was larger than the non-parents perceived fairness mean. Thus, the magnitude and the direction of the means was consistent with Lerner's (1977) unit relation and with Grover (1991).
Nevertheless, the lack of significant differences between the unit and non-unit relations is consistent with the Burud et al. (1984) research findings. Accordingly, non-beneficiaries do not perceive child care benefits as inequitable when: (1) employees perceive the company that supports child care as interested in the worker's needs; (2) employees who are not using the benefit perceive it as an alternative for the future, or recall the struggle they went through in the past; and (3) employees understand that different employees have different needs and that different groups of employees benefit from different programs. Thus, this finding suggests that non-parents are concerned about the benefits under which they work, which in turn influences perceived fairness. However, this no significant difference could be interpreted more clearly if it was based on larger groups or at least on less extremely unequal sample sizes of the groups. Nevertheless, this finding provides support for the role of family-friendliness on the perceived fairness of the child-care subsidy. The effect of family-friendliness on perceived fairness constitutes a major practical implication of this study.

**Practical Implications**

From an applied perspective, this study investigated the effect of organizational social responsibility and family-friendliness in the relationship between perceived fairness and subsidy status. Specifically, it was suggested that perceived fairness depends both on subsidy status and the interaction between subsidy status and organizational social responsibility (research question 3). Likewise, it was suggested that perceived fairness would depend
on both subsidy status and the interaction between subsidy status and perceived organizational family-friendliness (research question 4).

Results based on regression analyses failed to show significant interaction effects of perceived organizational social responsibility and subsidy status on perceived fairness. That is, respondents believed that organizations should be socially responsible to provide services and benefits for the dependent care needs of employees, but this belief did not interact with subsidy status to affect perceptions of fairness. This finding suggests that perhaps organizations should consider different alternatives of employer-sponsored programs to help employed parents balance their child-care related needs. However, employees' reactions to the allocation of such a benefit might depend perhaps on the relationship between the employees' beliefs and their subsequent experiences in the organization. In other words, employees' perceived fairness of an organizational benefit might depend perhaps on whether or not the employee is part of that particular organization, and whether or not the employee perceived the benefit with the potentiality of being useful or beneficial.

On the other hand, results showed significant interaction effects between subsidy status and family-friendliness on perceived fairness. Thus, the perception of a particular organization as being family-friendly moderates the relationship between perceived fairness and subsidy status among temporary employees. Specifically, for the subsidy group and the non-parents group, as perceived family-friendliness increased, perceived fairness increased too. In consistently with Burud et al. (1984), this finding suggests that perhaps
non-parents, even though they do not received the subsidy, still perceived the child-care subsidy as fair because of their beliefs that organizations should be sensitive and responsive to employed-parents child-care related needs, and because of their perceptions of the temporary agency as being family-friendly.

For the parents/no-subsidy group, however, as perceived family-friendliness increased, perceived fairness decreased. This negative relationship indicates that the more parents without the subsidy perceived the company as being sensitive and responsive to employees' child-care related needs, the less fair they perceived the child-care subsidy. The negative relationship between family-friendliness and parents without subsidy might suggest that perhaps parents without the subsidy, who could potentially be eligible for the child-care subsidy, did not perceive as fair the fact that the organization is sensitive and responsive only to the child-care related needs of a particular group of employees. However, the small sample size of both those who indicated low family-friendliness (less than 10 people) and the parents/no-subsidy group (n=11) might have affected the nature of the interaction. Thus, caution should be used when making generalizations from these findings.

In sum, the results revealed in this study extends prior theory and research in four important aspects. First, by applying equity theory's predictions in a field setting (i.e., a temporary employment agency) this study acknowledge the importance of other inputs, different from those provided by the employee, as relevant for the exchange among temporary employees. In addition differences in perceived input importance were upheld across the identity, unit and non-unit social relations. Moreover, the effects of social
relations to the object of distribution within the need-distributive principle was verified. Likewise, the effect on perceived fairness of employees' perceptions of the organization's social responsibility was established. Perceived fairness of organizational benefits (e.g. child-care subsidy) was moderated by the employees' perception of the organization as being family-friendly.

Second, by asking participants to indicate the perceived importance of six different inputs, the results of this study suggests that among temporary employees level of education, hours worked per week and other inputs such as client satisfaction and work environment are important inputs when assessing perceived equity. Third, whereas previous research on perceived equity has focused on people reactions to different experimental payment conditions (outcome), this study examined reactions to a child-care subsidy benefit. The findings suggested that child-care subsidy is a fair benefit to provide even among those employees who do not benefit from it.

Finally, by analyzing reactions to need-based distributions this study extends research on need principle allocations. According to Lamm and Schwinger (1980, 1983), Markovsky (1985) and Mikula (1981) the need principle is preferred in situations where there exists a close relationship among recipients. The findings in this study suggest that a close relationship may not be necessary for people to perceive a need allocation as fair. In addition, these findings corroborate previous research findings on need-based allocation (Grover, 1991; Lerner, 1977). Specifically, employees holding identity relations with the beneficiaries (had received subsidy in the past, were currently receiving subsidy, or expected to receive subsidy in the future)
perceived the child-care subsidy as more fair than those employees holding unit and non-unit relations.

Although equity theory was used as the basis for this research on perceived fairness, self-perception theory premises bring about an important rationale for the findings of this study as an alternative explanation. Self-perception theory was proposed by Bem (1967) to provide an alternative interpretation for Festinger's theory of cognitive dissonance. According to cognitive dissonance theory, if a person holds two cognitions that are inconsistent, he/she will experience the pressure to resolve that inconsistency. Under this conflicting emotional state (i.e., cognitive dissonance), people tend to resolve the inconsistency by altering one of the two dissonant cognitions (Bem, 1972). Self-perception theory states that the attitude statements, which are of central interest in dissonance studies, may be viewed as interpersonal judgments in which the observer and the observed are the same person. Hence, there is no need to postulate an aversive motivational drive toward consistency to explain the attitude change observed (Bem, 1972).

According to self-perception theory, people discern their own attitudes, emotions, and other internal states such as social identity, by inferring them from observations of their own behavior or the circumstances in which the behavior occurs (Bem, 1972). Thus, when our attitudes, emotions, or social identities are weak or ambiguous, we observe our behavior and its circumstances as an outside observer, and infer what our attitudes must be. In other words, an individual must rely on external cues to infer his/her own attitudes, emotions, etc. and resolve their dissonance. Therefore, the major
contribution of self-perception theory, as an alternative explanation to the results of this study, would be the description of the process by which the respondents interpreted their responses, as implying non-observable traits or behaviors.

**Weaknesses of the Study**

While the results of this study suggest some interesting relationships between input importance, social relations, family-friendliness and perceived fairness, our conclusions must remain tentative due to the limitations of the sample size. Findings are based on 64 survey responses, which represented a return rate of 9.5%. One plausible explanation for the low response rate might be the nature of the sample pool. For instance, the study included employees who were no longer working for the temporary agency, but had worked in the past. Those employees who were no longer working for the temporary agency might not have been motivated to answer the questionnaire. In addition, temporary employees might have a particular relationship with their organization (e.g., low commitment) which makes them less interested in their organization's development. However, further research is needed in this respect.

A total of 674 surveys were sent: 86 employees had worked for the company's clients during 1995; 96 had worked during 1995 and 1994; 29 had worked during 1995 and 1994 and 1993; 150 had worked during 1994; 112 had worked during 1994 and 1993; and 188 had worked during 1993.

However, the subsidy group (parents who had received subsidy in the past and/or were currently receiving the subsidy, and/or expect to received it in the
future) consisted of 17 cases. The no-subsidy group consisted of 17 parents without subsidy (parents who had never received the subsidy and do not expect to receive it in the future), and 36 non-parents. Thus, it is necessary to be aware of the small sample sizes of the groups, and the potential nonresponse error, particularly in the interpretation of the relationship between the comparison other and perceived fairness as not significant. The low statistical power in the analysis of variance as a result of the small sample size would not allow for significant effects and/or significant differences among the groups. Therefore, caution should be used when making generalizations based on the findings of this study.

Although information about the nonrespondents is not available, alternative explanations for the nonresponse might include: (1) potential participants did not receive the survey; (2) those who received it refused to participate in the study maybe because the subject matter of the study was not of their interest; (3) those who were interested in the subject matter of the study may have been discourage by the questionnaire length -- 66 items; and (4) poor identity with the survey sponsor either because the potential participants were no longer working for the temporary agency or because they were new in the agency. Efforts to encourage participation were limited. Only one attempt was made to encourage participation of those parents who were currently enrolled in the child-care subsidy program by mailing a reminding post-card and giving two extra weeks for return deadline. However, out of 30 post cards that were mailed, only three responded questionnaires were received.
A second limitation of this study might be associated with the psychometric properties of the comparison other and input importance measures. The measurements of both comparison other and input importance were somewhat limited. For instance, the comparison other measure did not allow examinations of how heavily the participants used a comparison other over the other alternatives of comparison. The impact of comparison other on perceived fairness is assumed to depend not only on whether a comparison other is used; but also on the number of comparison others used. Furthermore, both measurements consisted of single items specially constructed for the purpose of the study and for which evidence of construct validity was not reported. There is no information with respect to the reliability of the items. Because of the theoretical support regarding the effect of comparison other and input importance on perceived fairness it will be necessary to design standardized measurements so as to enhance the comparability of findings across studies. The perceived fairness scale, however, was previously validated in Grover's (1991) study.

Implications and Suggestions for Future Research

Based on the weaknesses of the present study, further studies with larger samples are needed to further investigate the effect of comparison other and input importance on perceived equity, when assessing organizational outcomes such as benefits and services. Specifically, further research might bring up important information of the specific comparison other(s) and inputs used, as well as whether or not more than one comparison other is actually used, and whether or not more than one input is actually relevant for the
exchange. Such findings would be useful to further understand distributive justice, and to corroborate the effect of comparison other and input importance on perceived equity in real life settings. For instance, are there any differences among the identity, unit, and non-unit relations and the choice of a comparison other?

The continuous growth of the contingent workforce, particularly temporary employees, calls for an increase in research devoted to the investigation of the attitudes and behaviors of temporary employees. Likewise, the increase in the number of employer-sponsored programs warrants an increase in research devoted to understanding the full range of benefits associated with helping employed parents balance their work-and family demands.

Even though perceived fairness, employer-sponsored programs and the contingent workforce have received research attention with respect to organizational behavior, there is no published research on the perceived equity of employer-sponsored child-care programs. Thus, by examining the perceived fairness of a child-care subsidy in a temporary agency, this study represents the first attempt to introduce the construct of perceived fairness into the study of contingent workforce.

Although the findings provided here are still preliminary, they suggest important implications for organizations. For instance, the fact that the level of education, hours worked per week and inputs such as client satisfaction and work environment were important inputs for the sample of this study suggest, that organizations should be aware of them when evaluating employees'
performance and allocating rewards as long as they are job related. In addition, the fact that the child-care subsidy benefit in this study was perceived as fair even among those who do not benefit from it suggests, that justice considerations are involved in employee motivation beyond the reactive quest for equity, or perhaps justice considerations depends on how weak or strong our justice attitudes are and consequently justice consideration would be related to self-perception. Future research is needed to further explore the role of self-perceptions on justice considerations.

Furthermore, since employed parents of young children look towards the workplace for assistance with child-care, benefits in the form of a subsidy might have important effects on employee retention, at least among employed parents with child-rearing needs. Moreover, the fact that employees' perception of an organization as being family-friendly moderates perceived fairness suggests that, from a manager's perspective, employees' perception of family-friendliness is an important attitude to cultivate in employees. As Greenberger (1990) affirmed, it is not enough for a manager to be fair, but it is also necessary that they are seen as fair. Thus, an organizational image of being family-friendly might have important implications on employee recruitment, employee retention, and the organizational recognition in the market as being progressive and competitive. Organizational image has been found to be related to potential job applicants intentions to pursue further contact with a firm (Gatewood, Gowan & Lauthensenlager, 1993).
Subsidized Child Care

52

Bibliography


Table 1

Descriptive Data on Demographic Variables for the Subsidy Status (subsidy group, parents/no-subsidy group and non-parents).

<table>
<thead>
<tr>
<th>Subsidy Group</th>
<th>Parents/No Subsidy</th>
<th>Non-Parents</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>M</td>
<td>SD</td>
</tr>
<tr>
<td>-------------------</td>
<td>-----------------</td>
<td>---</td>
</tr>
<tr>
<td>Demographics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>17</td>
<td>31</td>
</tr>
<tr>
<td>Job tenure in months</td>
<td>16</td>
<td>10</td>
</tr>
<tr>
<td>Hours worked/week</td>
<td>4</td>
<td>37.5</td>
</tr>
<tr>
<td>Number of children</td>
<td>17</td>
<td>1</td>
</tr>
</tbody>
</table>
Table 2

Descriptive Data on Major Study Variables for the Subsidy Status (subsidy group, parents/no-subsidy group and non-parents).

<table>
<thead>
<tr>
<th>Comparison other</th>
<th>Subsidy Group</th>
<th>Parents/No Subsidy</th>
<th>Non-Parents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>M</td>
<td>SD</td>
</tr>
<tr>
<td>1. Other company workers</td>
<td>15</td>
<td>1.80</td>
<td>.86</td>
</tr>
<tr>
<td>2. Others with similar temporary jobs at other companies</td>
<td>15</td>
<td>2.27</td>
<td>.70</td>
</tr>
<tr>
<td>3. Other temporary jobs in the past</td>
<td>15</td>
<td>2.33</td>
<td>.62</td>
</tr>
<tr>
<td>4. Family needs</td>
<td>15</td>
<td>1.73</td>
<td>.46</td>
</tr>
<tr>
<td>5. What is worth as an employee</td>
<td>15</td>
<td>2.00</td>
<td>.00</td>
</tr>
<tr>
<td>6. Professional or occupational group averages</td>
<td>15</td>
<td>2.00</td>
<td>.53</td>
</tr>
</tbody>
</table>
Table 2 (Cont.)

Descriptive Data on Major Study Variables for the Subsidy Status (subsidy group, parents/no-subsidy group and non-parents).

<table>
<thead>
<tr>
<th>Input importance</th>
<th>Subsidy Group</th>
<th>Parents/No Subsidy</th>
<th>Non-Parents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N  M  SD</td>
<td>N  M  SD</td>
<td>N  M  SD</td>
</tr>
<tr>
<td>1. Level of education</td>
<td>13  3.92 .76</td>
<td>10  3.89 1.45</td>
<td>34  3.65 1.25</td>
</tr>
<tr>
<td>2. Hours worked per week</td>
<td>13  3.38 .65</td>
<td>10  3.56 1.42</td>
<td>34  3.41 1.21</td>
</tr>
<tr>
<td>3. Number of assignments</td>
<td>13  3.15 .90</td>
<td>10  3.11 1.27</td>
<td>34  2.91 1.29</td>
</tr>
<tr>
<td>with the company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Responsibility in the</td>
<td>13  4.15 .69</td>
<td>10  4.11 1.36</td>
<td>34  4.15 1.05</td>
</tr>
<tr>
<td>assignments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Schedule flexibility</td>
<td>13  3.46 .97</td>
<td>10  3.67 1.22</td>
<td>34  3.53 1.16</td>
</tr>
<tr>
<td>6. Other inputs</td>
<td>4  5.00 .00</td>
<td>2  5.00 .00</td>
<td>14  4.50 1.16</td>
</tr>
</tbody>
</table>

Subsidized Child Care

62
Table 2 (Cont.)

Descriptive Data on Major Study Variables for the Subsidy Status (subsidy group, parents/no-subsidy group and non-parents).

<table>
<thead>
<tr>
<th></th>
<th>Subsidy Group</th>
<th>Parents/No Subsidy</th>
<th>Non-Parents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>M</td>
<td>SD</td>
</tr>
<tr>
<td>Organizational</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>responsibility</td>
<td>16</td>
<td>3.96</td>
<td>.54</td>
</tr>
<tr>
<td>Family friendliness</td>
<td>16</td>
<td>4.33</td>
<td>.93</td>
</tr>
<tr>
<td>Perceived fairness</td>
<td>14</td>
<td>3.94</td>
<td>.40</td>
</tr>
</tbody>
</table>

Note. Comparison Other was measured on 5-point scale (1 = very untrue, 5 = very true). Input importance was measured on 5-point scale (1 = very unimportant, 5 = very important). Organizational responsibility was measured on 5-point scale (1 = strongly disagree, 5 = strongly agree). Family-friendliness was measured on 5-point scale (1 = strongly disagree, 5 = strongly agree). Perceived Fairness was measured on 5-point scale (1 = strongly disagree, 5 = strongly agree).
Table 3

Analysis of Variance for Perceived Fairness by Comparison Other As Other Company Workers and Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sign of F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Effects</td>
<td>4.344</td>
<td>4</td>
<td>1.086</td>
<td>1.644</td>
<td>.178</td>
</tr>
<tr>
<td>Subsidy status</td>
<td>2.225</td>
<td>2</td>
<td>1.112</td>
<td>1.684</td>
<td>.196</td>
</tr>
<tr>
<td>Other company workers</td>
<td>1.823</td>
<td>2</td>
<td>.911</td>
<td>1.380</td>
<td>.261</td>
</tr>
<tr>
<td>2-Way Interactions</td>
<td>.759</td>
<td>4</td>
<td>.190</td>
<td>.287</td>
<td>.885</td>
</tr>
<tr>
<td>Subsidy status x co-workers</td>
<td>.759</td>
<td>4</td>
<td>.190</td>
<td>.287</td>
<td>.885</td>
</tr>
<tr>
<td>Explained</td>
<td>4.722</td>
<td>8</td>
<td>.590</td>
<td>.893</td>
<td>.529</td>
</tr>
<tr>
<td>Residual</td>
<td>32.370</td>
<td>49</td>
<td>.661</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>37.092</td>
<td>57</td>
<td>.651</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note.** Comparison Other was recoded 1 = untrue, 2 = true, 3 = neither true nor untrue.
Table 4

Analysis of Variance for Perceived Fairness by Comparison Other As Those Holding Similar Temporary Jobs and Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sign. of F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Effects</td>
<td>3.978</td>
<td>4</td>
<td>.994</td>
<td>1.555</td>
<td>.201</td>
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<tr>
<td>Subsidy status</td>
<td>2.549</td>
<td>2</td>
<td>1.274</td>
<td>1.993</td>
<td>.147</td>
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<tr>
<td>Similar Temporary Jobs</td>
<td>1.597</td>
<td>2</td>
<td>.799</td>
<td>1.249</td>
<td>.296</td>
</tr>
<tr>
<td>2-Way Interactions</td>
<td>.533</td>
<td>3</td>
<td>.178</td>
<td>.278</td>
<td>.841</td>
</tr>
<tr>
<td>Subsidy status x similar jobs</td>
<td>.533</td>
<td>3</td>
<td>.178</td>
<td>.278</td>
<td>.841</td>
</tr>
<tr>
<td>Explained</td>
<td>5.111</td>
<td>7</td>
<td>.730</td>
<td>1.142</td>
<td>.353</td>
</tr>
<tr>
<td>Residual</td>
<td>31.980</td>
<td>50</td>
<td>.640</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>37.092</td>
<td>57</td>
<td>.651</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note.** Comparison Other was recoded 1 = untrue, 2 = true, 3 = neither true nor untrue.
Table 5

Analysis of Variance for Perceived Fairness by Comparison Other AS What is Needed to Support the Family and Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sign. of F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Effects</td>
<td>4.408</td>
<td>4</td>
<td>1.102</td>
<td>1.787</td>
<td>.145</td>
</tr>
<tr>
<td>Subsidy status</td>
<td>2.059</td>
<td>2</td>
<td>1.030</td>
<td>1.670</td>
<td>.198</td>
</tr>
<tr>
<td>Family needs</td>
<td>2.148</td>
<td>2</td>
<td>1.074</td>
<td>1.741</td>
<td>.185</td>
</tr>
<tr>
<td>Explained</td>
<td>4.408</td>
<td>4</td>
<td>1.102</td>
<td>1.787</td>
<td>.145</td>
</tr>
<tr>
<td>Residual</td>
<td>32.684</td>
<td>53</td>
<td>.617</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>37.092</td>
<td>57</td>
<td>.651</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note.* Due to empty cells or a singular matrix, higher order interactions were suppressed by SPSS programing. Comparison Other was recoded 1 = untrue, 2 = true, 3 = neither true nor untrue.
Table 6

Analysis of Variance for Perceived Fairness by Comparison Other As
Occupational Averages and Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sign. of F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Effects</td>
<td>2.743</td>
<td>4</td>
<td>.686</td>
<td>1.058</td>
<td>.386</td>
</tr>
<tr>
<td>Subsidy status</td>
<td>1.810</td>
<td>2</td>
<td>.905</td>
<td>1.396</td>
<td>.256</td>
</tr>
<tr>
<td>Occupational Averages</td>
<td>.483</td>
<td>2</td>
<td>.242</td>
<td>.373</td>
<td>.691</td>
</tr>
<tr>
<td>Explained</td>
<td>2.743</td>
<td>4</td>
<td>.686</td>
<td>1.058</td>
<td>.386</td>
</tr>
<tr>
<td>Residual</td>
<td>34.348</td>
<td>53</td>
<td>.648</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>37.092</td>
<td>57</td>
<td>.651</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. Due to empty cells or a singular matrix, higher order interactions were suppressed by SPSS programing. Comparison Other was recoded 1 = untrue, 2 = true, 3 = neither true nor untrue.
Table 7
Regression Weights for Subsidy status and Level of Education Predicting Perceived Fairness Ratings.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE B</th>
<th>β</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy group</td>
<td>-.46</td>
<td>1.48</td>
<td>-.24</td>
<td>.75</td>
</tr>
<tr>
<td>No-subsidy group</td>
<td>.21</td>
<td>.90</td>
<td>.10</td>
<td>.81</td>
</tr>
<tr>
<td>Level of education</td>
<td>.07</td>
<td>.11</td>
<td>.10</td>
<td>.52</td>
</tr>
<tr>
<td>Subsidy x Level of education</td>
<td>.20</td>
<td>.37</td>
<td>.42</td>
<td>.58</td>
</tr>
<tr>
<td>No-subsidy x Level of education</td>
<td>.02</td>
<td>.22</td>
<td>.05</td>
<td>.90</td>
</tr>
</tbody>
</table>

Note. $R^2 = .07$, $F (5,47) = .75$, $p = .58$ (overall $R^2$)

$\Delta R^2 = .006$, $F (5,47) = .15$, $p = .85$ (interaction $R^2$)
Table 8

Regression Weights for Subsidy Status and Hours Worked per Week Predicting Perceived Fairness Ratings.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE B</th>
<th>β</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy group</td>
<td>.67</td>
<td>1.32</td>
<td>.35</td>
<td>.61</td>
</tr>
<tr>
<td>No-subsidy group</td>
<td>1.08</td>
<td>.84</td>
<td>.52</td>
<td>.20</td>
</tr>
<tr>
<td>Hours worked/week</td>
<td>.17</td>
<td>.11</td>
<td>.26</td>
<td>.12</td>
</tr>
<tr>
<td>Subsidy x Hrs. worked/week</td>
<td>-.09</td>
<td>.37</td>
<td>-.17</td>
<td>.80</td>
</tr>
<tr>
<td>No-subsidy x Hrs. worked/week</td>
<td>-.21</td>
<td>.22</td>
<td>-.40</td>
<td>.34</td>
</tr>
</tbody>
</table>

Note. $R^2 = .09$, $F (5,47) = 1.03$, $p = .40$ (overall $R^2$)

$\Delta R^2 = .018$, $F (5,47) = .46$, $p = .62$ (interaction $R^2$)
Table 9

Regression Weights for Subsidy Status and Number of Assignments with the company Predicting Perceived Fairness.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE B</th>
<th>β</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy group</td>
<td>.28</td>
<td>.91</td>
<td>.14</td>
<td>.76</td>
</tr>
<tr>
<td>No-subsidy group</td>
<td>.59</td>
<td>.81</td>
<td>.28</td>
<td>.47</td>
</tr>
<tr>
<td>Number of assignments</td>
<td>-.07</td>
<td>.10</td>
<td>-.11</td>
<td>.50</td>
</tr>
<tr>
<td>Subsidy x No. assignments</td>
<td>.03</td>
<td>.27</td>
<td>.05</td>
<td>.90</td>
</tr>
<tr>
<td>No-subsidy x No. assignments</td>
<td>-.07</td>
<td>.24</td>
<td>-.12</td>
<td>.76</td>
</tr>
</tbody>
</table>

Note. $R^2 = .06$, $F (5,47) = .68$, $p = .63$ (overall $R^2$)

$\Delta R^2 = .002$, $F (5,47) = .05$, $p = .94$ (interaction $R^2$)
### Table 10

Regression Weights for Subsidy Status and Responsibility in the Assignment Predicting Perceived Fairness.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE B</th>
<th>β</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy group</td>
<td>-.53</td>
<td>1.56</td>
<td>-.27</td>
<td>.73</td>
</tr>
<tr>
<td>No-subsidy group</td>
<td>-1.03</td>
<td>1.03</td>
<td>-.49</td>
<td>.32</td>
</tr>
<tr>
<td>Assignment responsibility</td>
<td>-.19</td>
<td>.12</td>
<td>-.26</td>
<td>.13</td>
</tr>
<tr>
<td>Subsidy x Assignment responsibility</td>
<td>.21</td>
<td>.37</td>
<td>.46</td>
<td>.56</td>
</tr>
<tr>
<td>No-subsidy x Assign. responsibility</td>
<td>.33</td>
<td>.24</td>
<td>.69</td>
<td>.17</td>
</tr>
</tbody>
</table>

**Note.** $R^2 = .10$, $F (5, 47) = 1.07$, $p = .38$ (overall $R^2$)

$\Delta R^2 = .03$, $F (5, 47) = 1.00$, $p = .37$ (interaction $R^2$)
Table 11

Regression Weights for Subsidy Status and Schedule Flexibility Predicting Perceived Fairness.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE B</th>
<th>( \beta )</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy group</td>
<td>-.03</td>
<td>.98</td>
<td>-.01</td>
<td>.97</td>
</tr>
<tr>
<td>No-subsidy group</td>
<td>1.14</td>
<td>.98</td>
<td>.55</td>
<td>.25</td>
</tr>
<tr>
<td>Schedule flexibility</td>
<td>.03</td>
<td>.12</td>
<td>.05</td>
<td>.76</td>
</tr>
<tr>
<td>Subsidy x Schedule flexibility</td>
<td>.11</td>
<td>.27</td>
<td>.21</td>
<td>.67</td>
</tr>
<tr>
<td>No-subsidy x Schedule flexibility</td>
<td>-.21</td>
<td>.25</td>
<td>-.41</td>
<td>.40</td>
</tr>
</tbody>
</table>

Note: \( R^2 = .07, \ F(5,47) = .72, \ p = .61 \) (overall \( R^2 \))

\( \Delta R^2 = .02, \ F(5,47) = .54, \ p = .58 \) (interaction \( R^2 \))
Table 12
Regression Weights for Subsidy Status and Other Inputs Predicting Perceived Fairness.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE B</th>
<th>β</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy group</td>
<td>.42</td>
<td>.49</td>
<td>.21</td>
<td>.40</td>
</tr>
<tr>
<td>No-subsidy group</td>
<td>.36</td>
<td>.65</td>
<td>.13</td>
<td>.58</td>
</tr>
<tr>
<td>Other inputs</td>
<td>.21</td>
<td>.20</td>
<td>.25</td>
<td>.31</td>
</tr>
<tr>
<td>Variables not in the equation</td>
<td>.00</td>
<td>.00</td>
<td>.00</td>
<td>.00</td>
</tr>
<tr>
<td>Subsidy x Other inputs</td>
<td>.00</td>
<td>.00</td>
<td>.00</td>
<td>.00</td>
</tr>
<tr>
<td>No-subsidy x Other inputs</td>
<td>.00</td>
<td>.00</td>
<td>.00</td>
<td>.00</td>
</tr>
</tbody>
</table>

Note. $R^2 = .14$, $F (5,47) = .87$, $p = .47$ (overall $R^2$)

$\Delta R^2 = .14$, $F (5,47) = .87$, $p = .47$ (interaction $R^2$)
Table 13

Analysis of Variance for Perceived Importance of Level of Education by Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>df</th>
<th>Sum of Squares</th>
<th>Mean Squares</th>
<th>F Ratio</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>3.9193</td>
<td>1.9597</td>
<td>3.4944</td>
<td>.0380</td>
</tr>
<tr>
<td>Within Groups</td>
<td>50</td>
<td>28.0401</td>
<td>.5608</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>52</td>
<td>31.9595</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mean

| Subsidy group       | 3.66 |
| Parents/no-subsidy  | 3.97 a |
| Non-parents         | 3.27 a |

a. Means are significantly different at p < .05
Table 14

Analysis of Variance for Perceived Importance of Hours worked per week by Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>df</th>
<th>Sum of Squares</th>
<th>Mean Squares</th>
<th>F Ratio</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>4.4442</td>
<td>2.2221</td>
<td>4.0379</td>
<td>.0237</td>
</tr>
<tr>
<td>Within Groups</td>
<td>50</td>
<td>27.5153</td>
<td>.5503</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>52</td>
<td>31.9595</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mean

<table>
<thead>
<tr>
<th>Subsidy group</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parents/no-subsidy</td>
<td>4.05 a</td>
</tr>
<tr>
<td>Non-parents</td>
<td>3.38 a</td>
</tr>
</tbody>
</table>

a: Means are significantly different at p < .05
Table 15

Analysis of Variance for Perceived Importance of Number of Assignments with the Company by Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>df</th>
<th>Sum of Squares</th>
<th>Mean Squares</th>
<th>F</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>.1407</td>
<td>.0704</td>
<td>.1106</td>
<td>.8955</td>
</tr>
<tr>
<td>Within Groups</td>
<td>50</td>
<td>31.8187</td>
<td>.6364</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>52</td>
<td>31.9595</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 16

Analysis of Variance for Perceived Importance of Responsibility in the Assignments by Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>df</th>
<th>Sum of Squares</th>
<th>Mean Squares</th>
<th>F Ratio</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>.3998</td>
<td>.1999</td>
<td>.3167</td>
<td>.7300</td>
</tr>
<tr>
<td>Within Groups</td>
<td>50</td>
<td>31.5597</td>
<td>.6312</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>52</td>
<td>31.9595</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 17
Analysis of Variance for Perceived Importance of Schedule Flexibility by Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>df</th>
<th>Sum of Squares</th>
<th>Mean Squares</th>
<th>E Ratio</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>1.3104</td>
<td>.6552</td>
<td>1.0689</td>
<td>.3511</td>
</tr>
<tr>
<td>Within Groups</td>
<td>50</td>
<td>30.6490</td>
<td>.6130</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>52</td>
<td>31.9595</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 18

Analysis of Variance for Perceived Importance of "OTHER" Inputs by Subsidy Status

<table>
<thead>
<tr>
<th>Source of Variation</th>
<th>df</th>
<th>Sum of Squares</th>
<th>Mean Squares</th>
<th>F Ratio</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2</td>
<td>4.9711</td>
<td>2.4855</td>
<td>5.0827</td>
<td>.0195</td>
</tr>
<tr>
<td>Within Groups</td>
<td>16</td>
<td>7.8243</td>
<td>.4890</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>18</td>
<td>12.7953</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mean

Subsidy group       | 1.66 a
Parents/no-subsidy  | 3.67 a
Non-parents         | 4.66 a

a. Means are significantly different at p < .05
Table 19

Mean Perceived Fairness Scores by Subsidy Status

<table>
<thead>
<tr>
<th>Subsidy group</th>
<th>N</th>
<th>M</th>
<th>SD</th>
<th>t-value</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy group</td>
<td>14</td>
<td>3.93</td>
<td>.39</td>
<td>1.77</td>
<td>.05*</td>
</tr>
<tr>
<td>No-subsidy group</td>
<td>46</td>
<td>3.62</td>
<td>.95</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parents/No subsidy</td>
<td>11</td>
<td>3.74</td>
<td>1.09</td>
<td>.49</td>
<td>n.s.</td>
</tr>
<tr>
<td>Non-parents</td>
<td>35</td>
<td>3.58</td>
<td>.92</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. Scores are based on 5-point scales; higher numbers indicate greater perceived fairness. Subsidy group = Parents with subsidy; No-subsidy group = Parents/no subsidy and Non-parents.

* Means are significantly different at $p \leq .05$ for a one-tailed test.
Table 20

Regression Weights for Subsidy Status and Organizational Responsibility Predicting Perceived Fairness.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE B</th>
<th>β</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy group</td>
<td>.93</td>
<td>.69</td>
<td>.45</td>
<td>.18</td>
</tr>
<tr>
<td>No-subsidy group</td>
<td>-.03</td>
<td>.37</td>
<td>-.01</td>
<td>.91</td>
</tr>
<tr>
<td>Organizational responsibility</td>
<td>.80</td>
<td>.05</td>
<td>.94</td>
<td>.00</td>
</tr>
<tr>
<td>Subsidy x Org. responsibility</td>
<td>-.20</td>
<td>.17</td>
<td>-.38</td>
<td>.26</td>
</tr>
<tr>
<td>No-subsidy x Org. responsibility</td>
<td>-.008</td>
<td>.09</td>
<td>-.01</td>
<td>.92</td>
</tr>
</tbody>
</table>

Note. $R^2 = .87$, $F (5,47) = 77.41$, $p = .000$ (overall $R^2$)

$\Delta R^2 = .002$, $F (5,47) = .64$, $p = .52$ (interaction $R^2$)
### Table 21

Regression Weights for Subsidy Status and Family-Friendliness Predicting Perceived Fairness.

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE B</th>
<th>β</th>
<th>p value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidy group</td>
<td>2.92</td>
<td>1.09</td>
<td>1.56</td>
<td>.01</td>
</tr>
<tr>
<td>No-subsidy group</td>
<td>4.70</td>
<td>1.53</td>
<td>2.22</td>
<td>.003</td>
</tr>
<tr>
<td>Family-Friendliness</td>
<td>.67</td>
<td>.15</td>
<td>.68</td>
<td>.000</td>
</tr>
<tr>
<td>Subsidy x Fam. Friendliness</td>
<td>-.61</td>
<td>.24</td>
<td>-1.47</td>
<td>.01</td>
</tr>
<tr>
<td>No-subsidy x Fam. Friendliness</td>
<td>-1.01</td>
<td>.35</td>
<td>-2.04</td>
<td>.006</td>
</tr>
</tbody>
</table>

Note. $R^2 = .32$, $F(5, 47) = 5.12$, $p = .000$ (overall $R^2$)

$\Delta R^2 = .14$, $F(5, 47) = 5.42$, $p = .006$ (interaction $R^2$)
Figure 1. Perceived Family-Friendliness by Subsidy Status Interaction of Perceived Fairness
Note. Perceived fairness = predictive value. Family-friendliness = measure rating scale.
APPENDIX A

Cover Letter
To potential respondents:

The enclosed survey is being conducted by a Portland State University Master Degree student to fulfill the Thesis requirement. It is **completely voluntary** for you to participate in this project, but your cooperation would be sincerely appreciated.

The survey is conducted jointly by [Company's name] and Portland State University (PSU) for the purpose of assessing employees' reactions and the usefulness of the child-care subsidy program. It will take approximately 10 to 15 minutes to complete the questionnaire.

The survey is **totally anonymous**. This means that it is not marked in any way for identification purposes, and no one will be able to match you to your answers. No one outside the PSU research team will see the completed questionnaires. To ensure complete anonymity, a stamped addressed return envelope is also enclosed. If you choose to finish the survey just place it in the return envelope, seal it, and put in the mail.

Once the questionnaires are analyzed by the PSU research team, the overall results will be presented to [name], President/CEO of [Company's name], in order to assist her in the evaluation of the child care program and the development of future "family-friendly" benefits. If you would like to see the results, you can request a copy through [President/CEO's name] assistant [name] after November 30, 1995.

Please complete the survey by August 7 and drop it in the mail. We appreciate your time in helping us with this research project. Your input is important in understanding how people feel about the child-care subsidy at [Company name], and in promoting family-friendly benefits in the industry!

Sincerely,

PAMELA BERMUDEZ

*If you have questions about this study, please contact Dr. Leslie Hammer at Portland State University at 725-3971, or the chair of the Portland State Human Subjects Review Committee, Office of Research and Sponsored Projects, 105 Neuberger Hall, Portland State University, 503/725-3417.*
Subsidized Child Care

APPENDIX B

Questionnaire
DO NOT put your name on this questionnaire. Your answers will be anonymous. Please answer the following questions in the space provided.

1. Sex 1. [ ] Female 2. [ ] Male

2. Age ______

3. How long have you been working for PRO TEM?: _____ years _____ months

4. What is your current job title? (Select one)
   1. [ ] Receptionist 2. [ ] Exec/Legal Secretary 3. [ ] Word Processor
   4. [ ] General Office/Data Entry 5. [ ] Phone Surveyor 6. [ ] Desktop Publisher
   7. [ ] Sales/Marketing Executive 8. [ ] International Specialist 9. [ ] Technical Specialist
   10. [ ] Custom Recruiting

5. What is your most frequent job status? (Select one)
   1. [ ] Full-time 2. [ ] Part-time 3. [ ] Special hourly

6. Are you currently working for a PRO TEM client? 1. [ ] YES 2. [ ] NO
   If NO, please proceed to question 9.

7. How long have you been on this particular work assignment? ___ days ___ weeks ___ months

8. How many hours are you CURRENTLY working per week?: _____ hours.

9. Do you have children? 1. [ ] YES 2. [ ] NO

10. If you have children, please indicate the number and ages of your children.
    1. Number of children: __________
    2. Ages of children: _____ years, _____ years, _____ years, _____ years, _____ years

11. Have you ever received the child-care subsidy while working for PRO TEM? 1. [ ] YES 2. [ ] NO

12. Are you currently receiving the child-care subsidy from PRO TEM? 1. [ ] YES 2. [ ] NO

13. Do you expect to receive the child-care subsidy while working for PRO TEM? 1. [ ] YES 2. [ ] NO
   If NO to questions 11 or 12, please proceed to question 31.

14. How did you use the child-care subsidy?:
    1. To help provide child-care 2. [ ] YES 2. [ ] NO
    2. To reduce the cost of your child-care 1. [ ] YES 2. [ ] NO
    3. To improve the quality of child-care 1. [ ] YES 2. [ ] NO
    4. To expand your work hours 1. [ ] YES 2. [ ] NO
    5. Other ________________
15. For what child-care arrangement do/did you use the child-care subsidy?

1. [ ] A registered day care center
2. [ ] Family-day care
3. [ ] A provider in your home
4. [ ] A relative in his/her home
5. [ ] Other: ____________________

16. How many hours a week on average do/did you use this child-care arrangement? _____ hours

17. All in all, how satisfied were you with the child-care subsidy?

1. [ ] dissatisfied 2. [ ] slightly dissatisfied 3. [ ] neither satisfied nor dissatisfied
4. [ ] slightly satisfied 5. [ ] very satisfied

18. In the past four weeks:

1. How many days have you missed work because of your child-care related problems? (Please think of any child-care problem which you may have had which caused you to be absent from work, or to reject an assignment). _______ times.
2. How many times have you been late to work because of your child-care related problems? _______ times.
3. How many times have you left work early or left during the day because of your child-care related problems? _______ times.
4. While at work, how many times have you been interrupted (including telephone calls) to deal with family related matters? _______ times.

For the following items, please respond by circling the number that corresponds with your answer:

(1) Strongly disagree  (2) Slightly disagree  (3) Neither agree nor disagree
(4) Slightly agree  (5) Strongly agree

19. The child-care subsidy increases/increased my level of stress on the job. ___________________________ 1 2 3 4 5
20. The child-care subsidy helps/helped me balance my work and family demands. ___________________________ 1 2 3 4 5
21. I am satisfied with the child care subsidy. ___________________________ 1 2 3 4 5
22. The child-care subsidy helps/satisfied my child-care related needs. ___________________________ 1 2 3 4 5
23. The child-care subsidy helps/satisfy my child-care related needs. ___________________________ 1 2 3 4 5
24. The child-care subsidy decreases/decreased employee recruitment. ___________________________ 1 2 3 4 5
25. The child-care subsidy helps/increase retention of employees. ___________________________ 1 2 3 4 5
26. Receiving the child care subsidy makes/made a significant difference in my job performance. ___________________________ 1 2 3 4 5
27. The child care subsidy helps improve my productivity. ___________________________ 1 2 3 4 5
28. The child-care subsidy attracted me to work for PRO TEM. ___________________________ 1 2 3 4 5
29. The child-care subsidy is an important benefit for PRO TEM to provide. ___________________________ 1 2 3 4 5
30. The child-care subsidy is one reason why I remain working with PRO TEM. ___________________________ 1 2 3 4 5
We realize that if you do not have children or have not received the child-care subsidy provided by PRO TEM (75 cents/hour of child-care per child-rearing employed-parent), you may not be familiar with the child-care subsidy program. However, you do not need to know much about the program to answer the following items. We are only asking for your degree of agreement or disagreement with the following statements. Therefore, for the following items, please respond by circling the number that corresponds with your perception of fairness of the child-care subsidy, regardless of whether you have children or not, and whether you are receiving or have received the child-care subsidy while working for PRO TEM.

(1) Strongly disagree, (2) Slightly disagree, (3) Neither agree nor disagree, (4) Slightly agree, (5) Strongly agree

31. Helping PRO TEM employees pay for child-care is not fair to employees who are not parents ................................................................................................................................ 1 2 3 4 5
32. PRO TEM is concerned with helping employees balance work and family demands ........ 1 2 3 4 5
33. Every parent deserves the right to the child-care subsidy ................................................... 1 2 3 4 5
34. It is everyone's, including parents', responsibility to provide for children, and a child-care subsidy helps to accomplish this task ................................................................. 1 2 3 4 5
35. It is not PRO TEM's responsibility to provide a child-care subsidy to parents of children under age 13 ................................................................................................. 1 2 3 4 5
36. Having a child is a strain on parents, and they deserve the aid of the child-care subsidy .............................................................................................................. 1 2 3 4 5
37. Children are a necessary part of society and it is the responsibility of large institutions like temporary agencies to help in the effort ....................................................... 1 2 3 4 5
38. Those who choose not to have children should subsidize, under a child care subsidy, those who choose to have children ........................................................................ 1 2 3 4 5
39. PRO TEM is a family-friendly organization ................................................................. 1 2 3 4 5
40. It is everyone's, including parents', responsibility to provide for children, and a child-care subsidy helps to accomplish this task ................................................................. 1 2 3 4 5
41. PRO TEM's child-care subsidy helps in the parenting effort of child-rearing parents .. 1 2 3 4 5
42. Having children is a personal choice and provisions for that event should be made by the family, rather than by the employer ........................................................................... 1 2 3 4 5
43. Work organizations have a social responsibility to provide services and benefits to help with dependent care needs of employees .......................................................... 1 2 3 4 5

For the following item, please respond by circling the number that corresponds with your answer:

(1) Very untrue, (2) Somewhat untrue, (3) Neither true nor untrue, (4) Somewhat true, (5) Very true

44. When I judge how fair my salary and benefits are for the work I do as a temporary employee with PRO TEM

1. I compare myself to other PRO TEM workers .................................................................................. 1 2 3 4 5
2. I compare myself to others with similar temporary jobs at other companies ...................... 1 2 3 4 5
3. I compare myself to what I have received in other temporary jobs in the past .............. 1 2 3 4 5
4. I judge the fairness based on what I need to support my family ............................................. 1 2 3 4 5
5. I judge the fairness based on what I feel my worth as an employee is .................................. 1 2 3 4 5
6. I compare myself to professional or occupational group averages ................................ 1 2 3 4 5
For the following item, please respond by circling the number that corresponds with your answer:

(1) Very unimportant, (2) Somewhat unimportant, (3) Neither important nor unimportant
(4) Somewhat important, (5) Very important

45. How important are the following in determining your performance as a PRO TEM employee:

1. My level of education............................................................................................................. .
2. Number of hours I work per week........................................................................................ .
3. Number of PRO TEM assignments I have had in the past............................................... .
4. Degree of responsibility in the assignments .......................................................................... .
5. Degree of schedule flexibility ................................................................................................ .
6. Other: ........................................................................ .

For the following items, please think about your current work assignment and respond by circling the number that corresponds with your answer:

(1) Strongly disagree (2) Disagree (3) Inclined to disagree (4) Neither agree nor disagree
(5) Inclined to agree (6) Agree (7) Strongly agree

46. One of the major reasons I continue to work for this organization is that leaving would require considerable personal sacrifice—another organization may not match the overall benefits I have here............................................. 1 2 3 4 5 6 7
47. I think that people these days move from company to company too often........................... 1 2 3 4 5 6 7
48. I do not believe that a person must always be loyal to his or her organization.............. 1 2 3 4 5 6 7
49. Right now, staying with my organization is a matter of necessity as much as desire........ 1 2 3 4 5 6 7
50. Jumping from organization to organization does not seem at all unethical to me........... 1 2 3 4 5 6 7
51. One of the major reasons I continue to work for this organization is that I believe that loyalty is important and therefore feel a sense of moral obligation to remain........................................... 1 2 3 4 5 6 7
52. One of the problems of leaving this job would be the scarcity of other resources........ 1 2 3 4 5 6 7
53. If I got another offer for a better job elsewhere I would not feel it was right to leave.... 1 2 3 4 5 6 7
54. I was taught to believe in the value of remaining loyal to one organization................. 1 2 3 4 5 6 7
55. This company really inspires the best in me by way of job performance.................. 1 2 3 4 5 6 7
56. I feel that I have too few options to consider leaving the organization...................... 1 2 3 4 5 6 7
57. Things were better in the days when people stayed with one company for most of their careers................................................................................................................ 1 2 3 4 5 6 7
58. I do not think that wanting to be a "company man or woman" is sensible anymore..... 1 2 3 4 5 6 7
59. I really care about the fate of this organization ................................................................. 1 2 3 4 5 6 7
60. I would accept almost any type of work assignment in order to keep working for this company.................................................................................................................. 1 2 3 4 5 5 7
61. I find my values and this company’s values are very similar........................................... 1 2 3 4 5 6 7
62. I am proud to tell others that I am part of this company.................................................. 1 2 3 4 5 6 7
63. I talk up this company to my friends................................................................................... 1 2 3 4 5 6 7
64. I am willing to put in a great deal of effort beyond what is normally expected in order to help this company be successful................................................................. 1 2 3 4 5 6 7
65. I am really glad that I ended up in this company over other companies.................. 1 2 3 4 5 6 7
66. For me this is the best of all possible companies for which to work............................ 1 2 3 4 5 6 7

Thank you for your time and cooperation. Please place the questionnaire in the postage-paid envelop provided, and drop it in the mail.