


COMMENTARY

The influence of organizational responses to the COVID-19 pandemic on employee outcomes

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The focal article by Rudolph et al. (2021) stated that the COVID-19 pandemic created a large amount of uncertainty and negative psychological consequences for employees in terms of stress associated with working under unsafe conditions. Building on Mark Cuban's statement from the focal article "(Stankiewicz, 2020), how companies treat workers during this pandemic could define their brand for decades" (Rudolph et al., p. X), we would like to shed some light on ways that organizations can respond to employee safety concerns as well as how these responses may affect employee well-being and work-related outcomes.

Substantive versus symbolic responses to COVID-19 pandemic

Organizations seek to conform to social pressures to gain legitimacy (DiMaggio & Powell, 1983). However, they deal with pressures from different groups of stakeholders (e.g., customers and employees) with multiple and often conflicting needs or demands. Because organizational resources to address these demands are limited, these different groups of stakeholders are not equal to top managers. Instead, there is a hierarchy of stakeholders and their salience depends on the stakeholders' relative power (Agle et al., 1999). For example, employees as internal stakeholders can have more or less power depending on their unique expert knowledge and how easy it is to replace them. Customers, as external stakeholders, have economic power over the firm (i.e., if they stop paying for products or services, organizations will suffer financially or even cease to exist; Stevens et al., 2005). Therefore, how organizations respond to the competing needs, provided the needs are urgent and important, depends on the relative power of the stakeholder groups (Westphal & Zajac, 2001). The more relative power a group of stakeholders has, the more likely an organization is to cater to the group's demands.

During the COVID-19 pandemic, many organizations have had to decide how to respond to multiple urgent and important, yet conflicting, needs of various groups of stakeholders. For example, employees want to work remotely to avoid COVID-19 infections and possibly deaths. However, customers demand their services to continue being provided. Depending on their financial resources, organizations may adopt a variety of policies and practices to manage the stakeholders' demands, to signal conformity to all stakeholder groups, and to obtain societal approval as well as legitimacy. These practices can be generally classified as either substantive or symbolic. *Substantive responses* occur when organizations are truly

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committed to finding the best solutions and spend substantive resources to address strategic issues (e.g., demands from stakeholders). *Symbolic responses* occur when organizations signal compliance with stakeholder demands without spending substantive resources on addressing strategic issues (Oliver, 1991).

We illustrate substantive and symbolic responses with different approaches universities took to respond to the demands regarding fall instruction from their employees. A Carnegie Dartlet survey of 2,800 high school seniors from May 2020 showed that 33% of incoming students would defer or cancel their classes last fall if universities taught classes exclusively online. In addition, students proposed that if they were required to take some of their classes online, their tuition should be lowered (Jaschik, 2020). Receiving less income from tuition is not a scenario that a lot of universities can afford to weather, which gave students, as constituents, a great deal of power. Therefore, many universities planned for in-person classes last fall. According to the *Chronicle of Higher Education*, only 10% of universities were planning to instruct online, whereas 32% were proposing a hybrid model, and 53% were planning to instruct in person as of July 20, 2020 (Chronicle Staff, 2020). However, those universities were being criticized “for taking a big risk with student and employee health” (Jaschik, 2020). Experts rated universities as places of high risk for COVID-19 infection (e.g., American College Health Association, 2020; Macalester Biology Department, 2020) and advised that having classes fully online was the safest way to avoid infections (Centers for Disease Control, 2020; Zhang et al., 2020). Not surprisingly then, professors were reluctant about teaching in person (see Hartocollis, 2020; Svrluga & Douglas-Gabriel, 2020).

To conform to those pressures and address employee health concerns, universities could have responded substantively or symbolically. *Substantive responses* provided by universities included responses that were the most effective in preventing the spread of COVID-19 on campuses, such as teaching virtually (Centers for Disease Control, 2020). Additionally, substantive responses of universities that taught students in person included making sure students and employees remained at least six feet apart and requiring that everyone wear a mask when around other people, ensuring that buildings had proper ventilation or holding classes in outdoor tents (Lee & Shende, 2020; Zhang et al., 2020), sanitizing classroom equipment, housing students in single rooms, and placing plexiglass between people if they could not be separated by at least six feet in buildings (American College Health Association, 2020; Bazelon, 2020).

Symbolic responses, on the other hand, included the proclamation of enforcing substantive policies without actually implementing them, such as telling employees that everyone would be required to wear masks only to later inform them that such a requirement was impossible to enforce (Vasquez, 2020). Another example would be encouraging students “to wear cloth face coverings in times when at least six feet of physical distance cannot be maintained” (Governor of Virginia, 2020, p. 7) only to later interpret it as having students sit as usual (i.e., less than six feet apart) as long as they were wearing masks. Symbolic responses may also have included deflecting focus from prevention of infections to mitigating damages after they have occurred and minimizing the threat of contracting COVID-19 as well as its effects on one’s body. Hence, whereas substantive responses truly conform to pressures from stakeholders, symbolic responses represent a ceremonial conformity (Oliver, 1991).

Although we have explained substantive and symbolic responses to employee health concerns in academia, any organization can engage in substantive or symbolic responses to a myriad of strategic issues (not just health concerns) that are affecting employees during the COVID-19 pandemic (e.g., job insecurity, childcare, homeschooling, telework, etc.) This allows industrial and organizational (I-O) psychologists an opportunity to explore the influence of these different types of organizational responses on employee outcomes. Next, we will discuss some of the possible outcomes.

I-O psychology relevant outcomes

Based on the conservation of resources (COR) theory, individuals are motivated to retain and protect their valued resources, such as good health (Hobfoll, 2002). People experience stress when their valued resources are lost or threatened, as is the case when an organization protects employee health mainly symbolically. When employees feel that their primary resources (e.g., health) are threatened, they invest other resources they have to counter the primary resource loss. Once those resources become depleted, individuals experience more stress and their increased focus on stress takes away attentional resources that are needed to efficiently manage emotions and behaviors (Hobfoll, 1989). Based on COR, when employees perceive that their organizations protect their health during the pandemic mainly symbolically, they may experience stress and negative emotions (or even burnout), which could lead to lower job satisfaction and lower performance. However, this should not be the case when employees perceive that their organizations try to protect their health substantively. Additionally, based on COR, employees who worry that their organization is not serious about taking care of their health (i.e., when the organization takes symbolic actions) may see other employees (or students, clients, customers, patients) as a threat to their own health. This could potentially lead to rushing through the interaction with them or even avoiding face-to-face interactions to minimize potential COVID-19 exposure, which therefore may result in increased perceptions of incivility (see Andersson & Pearson, 1999) among organization insiders (i.e., other employees) or outsiders (i.e., clients or patients).

Further, employees create psychological contracts with their employers (Rousseau, 1989) and expect organizations to deliver things that they value (such as protecting employee health and well-being) in exchange for their hard work. When organizations fulfill the psychological contract (as would be the case with organizations responding substantively to employee health concerns), they signal to employees they value them and are committed to them. This, in turn, increases organizational support (POS) perceived by employees, which is the general belief that the organization cares about employee well-being (Rhoades et al., 2001). When those expectations are not met (as would be the case with organizations responding mainly symbolically to employee health concerns), employees experience psychological contract breach, which results in a lower POS. According to social exchange theory and the norm of reciprocity, employees feel obligated to reciprocate the treatment they receive from their organizations (Blau, 1964; Gouldner, 1960). In the case of positive reciprocity (Gouldner, 1960), when an organization provides substantive responses to the COVID-19 pandemic and, therefore, an employee feels supported by the organization, the employee should feel obligated to reciprocate such favorable treatment. Employees may do so through an increased organizational commitment as well as other efforts to help the organization reach its goals such as engagement in organizational citizenship behaviors (see Organ et al., 2006) or increased acceptance of organizational change (see Shin et al., 2012) due to COVID-19. On the other hand, in the case of negative reciprocity (Gouldner, 1960), such as when organizations provide mainly symbolic responses to the COVID-19 pandemic, resulting in low POS, employees should feel an obligation to return the perceived harm (e.g., endangering employee health) by harming the organization. Some examples could include employee engagement in withdrawal behaviors (e.g., absenteeism and/or turnover) or counterproductive work behaviors (e.g., production deviance, sabotage, and even theft; see Spector et al., 2006).

Conclusion

In this commentary we have discussed the substantive and symbolic responses to strategic issues (particularly employee health concerns) in which organizations may engage to manage the pressures from different constituents, including employees, and what long-term effects these responses may have on employees. Although we have limited our example of a strategic issue to employee health concerns, and our examples of substantive versus symbolic responses to an academic

setting, any organization can engage in substantive or symbolic responses to various strategic issues. Therefore, the arguments presented in our commentary can be applied to other organizations and/or to numerous strategic issues that have emerged during the COVID-19 pandemic, including job insecurity, balancing work and family demands, homeschooling, or telework. We encourage I-O psychologists to research the influence of substantive versus symbolic responses on the employee outcomes that we have discussed as well as those that we have not discussed due to space limits, such as trust in leadership, recruitment, or employee engagement. This topic is important and worth exploring, as the types of responses offered by organizations will have detrimental effects on current and future employees that will outlast the time span of the pandemic (Stankiewicz, 2020).

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