

CHUTES VERSUS LADDERS: ANCHORING EVENTS AND A PUNCTUATED-EQUILIBRIUM PERSPECTIVE ON SOCIAL EXCHANGE RELATIONSHIPS

GARY A. BALLINGER
University of Virginia

KEVIN W. ROCKMANN
George Mason University

We integrate concepts from research on emotion and memory to show how critical exchanges—or anchoring events—can suddenly and durably change the rules for organizational relationships, leading them to reach nonreciprocal forms like altruism or competition. We define these events and discuss the likelihood of their occurring as a function of the current state of the relationship, the time in that state of the relationship, and the social context in which the event takes place.

Some harms and violations appear to be irreversible. For example, one person who was the victim of public ridicule by a boss reported, “I felt so angry and betrayed. There was nothing he could say or do to make me feel better after what he did. Nothing. . . . I can vividly recall the memory to this day [20 years later]” (Bies & Tripp, 1996: 259).

Every member of an organization is simultaneously engaged in multiple social exchange relationships with coworkers, supervisors, teams, and the organization in general (Emerson, 1976). Because of this, organizational researchers have invested a tremendous amount of effort and thought in testing how the form and content of social exchange relationships impact attitudes and behaviors in the organizational context (Cropanzano & Mitchell, 2005). In the past, researchers have assumed that because these social relationships take place in the organizational context, they are mainly governed by rules of reciprocity (Eisenberger, Huntington, Hutchison, & Sowa, 1986; Gouldner, 1960; Sparrowe & Liden, 1997), which means that parties in the relationship seek to minimize the difference

between the benefits they provide and the benefits they receive from others (Meeker, 1971). However, this assumption overlooks dynamics in certain relationships where patterns of exchange are exhibited that differ dramatically from those predicted by models of reciprocity (Bies & Tripp, 1996; Brief & Motowidlo, 1986; Meglino & Korsgaard, 2004), and it does not address why such “nonreciprocal” relationships can frequently remain stuck in these patterns over extended periods of time.

Researchers have largely assumed that social exchange relationships form gradually over time based on a series of reciprocity-based interactions, which, if perceived to be successfully fulfilled (Molm, 2003; Molm, Takahashi, & Peterson, 2000), can eventually engender feelings of personal obligations, gratitude, and trust (Blau, 1964; Cropanzano & Mitchell, 2005; Holmes, 1981; Lawler, 2001). However, we believe that there exists an alternate route by which exchange relationships may take on and maintain nonreciprocal forms. We argue that exchange relationships can change between reciprocity-based and nonreciprocity-based forms through a “punctuated-equilibrium” process where the relationships reach these states through the course of one exchange or a short sequence of exchanges marked by extreme emotional and instrumental content. These key exchanges—or *anchoring events*—are encoded in autobiographical memory (Conway & Pleydell-Pearce,

We thank Gilad Chen, Karen Jansen, Adelaide King, David Sluss, the participants in the George Mason University RIOTS research group, and the University of Virginia’s CORE group for their very helpful comments on earlier drafts. We also thank the three anonymous reviewers for their comments on earlier versions of this article. A portion of this research was supported by the McIntire School of Commerce Foundation’s Dean’s Fund for Excellence.

2000) and result in durable changes to the rules parties use to evaluate subsequent behaviors in the relationship (Baldwin, 1992; Meeker, 1971). Once an anchor is set in a relationship, the parties evaluate exchanges that occur later in the relationship through the prism of the anchoring event. Thus, once the rules for the relationship have been changed, the relationship becomes resistant to reversion to reciprocity.

While applications of social exchange theory in organizations have expanded, organizational research on the processes by which relationships reach particular forms has stagnated (e.g., Cropanzano & Mitchell, 2005; Sparrowe & Liden, 1997). We depart from the existing literature by introducing an alternate and more direct means by which exchange relationships can take on nonreciprocal forms and in our reliance on the role of individual memory and emotion as both outcomes and causal mechanisms in these processes (Cook & Rice, 2003). We believe that integrating an understanding of how memory works in both driving and evaluating behaviors in exchange relationships is important since relationships affect particularly relevant organizational behaviors, including deviance, organizational citizenship behaviors (OCBs), identification, and relational exchange quality (Dirks & Ferrin, 2002; Gerstner & Day, 1997; Rhoades & Eisenberger, 2002; Robinson & Bennett, 1995).

The basic approach to understanding how exchange relationships come to be governed by particular rules remains little changed from early formulations of social exchange theory. Blau (1964) originally proposed that exchanges take place over the life of the relationship, and the exact content and structure of subsequent exchanges can change based on the perceived quality of goods being exchanged at that time. While Homans (1961) and Holmes (1981) provided insight into how the content of early exchanges may determine the form of the relationship, their frameworks are largely silent as to how much impact highly memorable exchanges have in setting the long-term exchange rules used later in the relationship. Emerson indicated that he favored a concept called "social operant behavior" that would define exchange, where the "level or frequency of performance over time is sustained by reinforcing (rewarding) activity from other people" (1976: 341). This "reciprocally contingent flow" was to be viewed longitudi-

nally such that "a resource will continue to flow only if there is a valued return contingent upon it" (Emerson, 1976: 359). Lawler (2001: 322) based his affect theory of social exchange on an assumption that "repeated exchange" is part of the process of developing the positive affect needed to result in positive exchange behavior. Cropanzano and Mitchell ratified this view of current and past social exchange theorists by stating, "Relationship development is not a matter of a single stimulus-response. It is more analogous to climbing a ladder" (2005: 890).

A key assumption of this past research was that each party repeatedly weighs the goods and services exchanged, that one judges each and every interaction with another, and it is the *balance* of those interactions that determines the perception of the relationship and the rules to be applied in future exchanges. We believe, however, this assumption is not warranted in modeling the development of all relationships. Using theory related to memory and emotion, we argue that relationships can reach different forms via a "chute"—a punctuated process where the rules for future exchanges are quickly, dramatically, and durably changed by the outcome of a single event.

ANCHORING EVENTS

Looking to build a definition and operational framework for the anchoring event, we first examine the evidence that significant events in relationships take place and alter the state of these relationships in lasting ways.

The Case for Events As Anchors

Several research streams support our core proposition that certain events serve as anchors for relationships. As we describe relationships, we use the terms *focal individual* and *target*, which refer, respectively, to the individual experiencing the anchoring event and making the evaluation and the person or parties with whom the focal individual is engaged. Although targets are often individuals, they can also be groups, business units, or organizations. The rules that we lay out for an event's serving as an anchor will not change, no matter the level of the target.

The first argument supporting the notion of anchoring events comes from the literature on

memory. Information about social exchanges between a focal individual and a target is stored and retrieved in the memory system that consists of events experienced by the self, known as *autobiographical memory* (Conway & Pleydell-Pearce, 2000; Wheeler, Stuss, & Tulving, 1997). This autobiographical information is stored in varying levels of specificity in both the long-term and short-term memory systems, although for this theory we concern ourselves with storage in and retrieval from long-term memory, which is memory of items stored longer than a few seconds (Jonides et al., 2008). Autobiographical memory is broken down into knowledge of lifetime periods (e.g., first job, first house), general events (e.g., first day on the job), and specific events (e.g., what Harry said to me in my cubicle on the first day on the job; Conway & Pleydell-Pearce, 2000). Within this memory store, descriptions of major events that relate to the achievement or blockage of an individual's most central goals are stored as "self-defining memories" (Conway, Singer, & Tagini, 2004; Moffitt & Singer, 1994). These memories are characterized by "affective intensity, vividness, high levels of rehearsal, linkage to similar memories, and connections to an enduring concern or unresolved conflict" (Conway et al., 2004: 504).

The argument that certain memories of particular exchanges are important in determining the future form of a relationship is supported as well by research on the availability or recallability heuristic, which states that individuals overweight information that is most easily recalled (Tversky & Kahneman, 1974). The availability heuristic is more likely to be present when an individual experiences an intense event (Ariely & Zauberman, 2003), and is also more likely to impact judgments when an individual is recalling information about the self than when recalling information solely about others (Schwarz et al., 1991). Such intense memories have been called "temporal landmarks" (Shum, 1998), which serve as an aid in organizing and retrieving information from memory. When "discrepancies between expectation and experience" arise, the ability to easily recall a particular memory places added weight and importance on that memory (Caruso, 2008: 149). This would imply that memories of one prior exchange could serve as an anchor for judging the behavior of a target in a future social exchange. For relationships where there exist no

durable memories of prior exchanges, the focal individual is more likely to rely on the balance of outcomes of cases of each particular valence, or in a "last-in, first-out" sequence, when making his or her judgments about how to evaluate the target.

There is evidence from the psychological contract literature and trust literature that key events can shape relationships in the organizational context (Rousseau, 1995). When individuals perceive a breach of the psychological contract—an event that could serve as a key negative event—they experience a wide range of negative outcomes, including lower trust, absenteeism, intention to quit, and lower OCBs (Raja, Johns, & Ntalianis, 2004; Robinson, 1996; Turnley & Feldman, 1999). Similarly, Mayer, Davis, and Schoorman (1995: 725) noted that an individual's perception of his or her trust in a target over time may become out of balance with the actual goods and services exchanged, because that individual's perception of the quality of the relationship remains anchored on a past exchange where "the stakes" were particularly high. Further, Robinson (1996) found that individuals with high initial trust in the organization were less likely to report lower levels of trust after a subsequent breach in the psychological contract than those with lower levels of trust prior to the breach. That is, early high-stakes exchanges that led to initial high or low trust had some lasting impact on individual perceptions, leading us to believe that these events may be durable in their ability to influence exchange rules over time through the updating of the psychological contract in place (DeVos, Buyens, & Schalk, 2003).

The notion that unmet expectations trigger a rapid change in the schema used to evaluate the relationship is also supported by the notion of significant "phase-shift" events, which Lind described as "fairness-relevant events or information that falls far outside what would be expected from the existing general fairness judgment. . . [this] would push the perceiver from use mode back to judgmental mode" (2001: 79). This occurs when an individual's expectations for particular returns in the social context are not met. A phase change then may occur where the individual who receives fair treatment shifts from an "individual mode," seeking to maximize his or her own payouts in exchanges, to a "group mode," becoming more ori-

ented toward the need of others. In this model unfair treatment would lead to an opposite shift (Lind, 2001).

These bodies of literature support the assertion implicit in the opening quote that certain significant events can have a long-lasting impact on relationships. What we lack is an understanding of what characteristics such events have, beyond a simple notion of an event that does not fulfill the focal individual's expectations. We also lack an understanding of the mechanism, on both the positive and the negative side, describing how such events change relationships. Finally, we do not know the conditions under which these events are likely to occur, since most of the research to date has focused on the effects of negative events and how to repair the relationship after such an event has occurred (e.g., Kim, Dirks, & Cooper, 2009).

To understand relationship change, we focus on how specific exchanges change the decision rules in the focal individual's scripts for the relationship with a specific target, defined as a "predetermined, stereotyped sequence of actions that defines a well-known situation" (Schank & Abelson, 1977: 41). These scripts exist at both the particular level (e.g., my script for exchanges with Harry) and the general level (e.g., my script for dealing with coworkers) and are stored in and influence each other in autobiographical memory (Conway & Pleydell-Pearce, 2000; Sluss & Ashforth, 2007). We are particularly interested in social scripts, which contain both a set of rules that guide an individual's behaviors toward the other person and memories that allow the individual to interpret the other's behaviors in the context of the situation (Baldwin, 1992; Cantor & Kihlstrom, 1985). These decision rules emerge from an individual's values, perceptions of the alternative behaviors available to the individual, and the individual's expectation of the consequences of his or her behaviors, including his or her projection of the behavior of the target in the exchange (Meeker, 1971). Relationships range from being governed by rules of reciprocity, where there is a concern for balance between inputs and outcomes (Adams, 1965; Meeker, 1971), to nonreciprocity, where the individual seeks to achieve either an inequality between inputs and outcomes or a joint combination of inputs and outcomes, or where the target's ratio is not consid-

ered at all. We believe it is in understanding shifts to and away from these nonreciprocity-based rules, acknowledged as a key gap in the social exchange literature (Cropanzano & Mitchell, 2005), that these anchoring events will play the greatest role.

Anchoring Events Defined

Our core proposition is that the decision rules an individual uses to evaluate the future content of a relationship can be determined or anchored by the outcome of a major event, which can occur at any point in the relationship. We refer to this as an anchoring event and define it as (1) *a social exchange that occurs when a focal individual is highly dependent on a target for exchange content necessary to meet a particularly central goal for the individual*, (2) *whose resolution differs, either positively or negatively, from his or her expectation given the decision rules he or she applied to the relationship prior to the event*, (3) *where the actions of the target in the exchange are judged to have an internal locus of causality and to be controllable*.

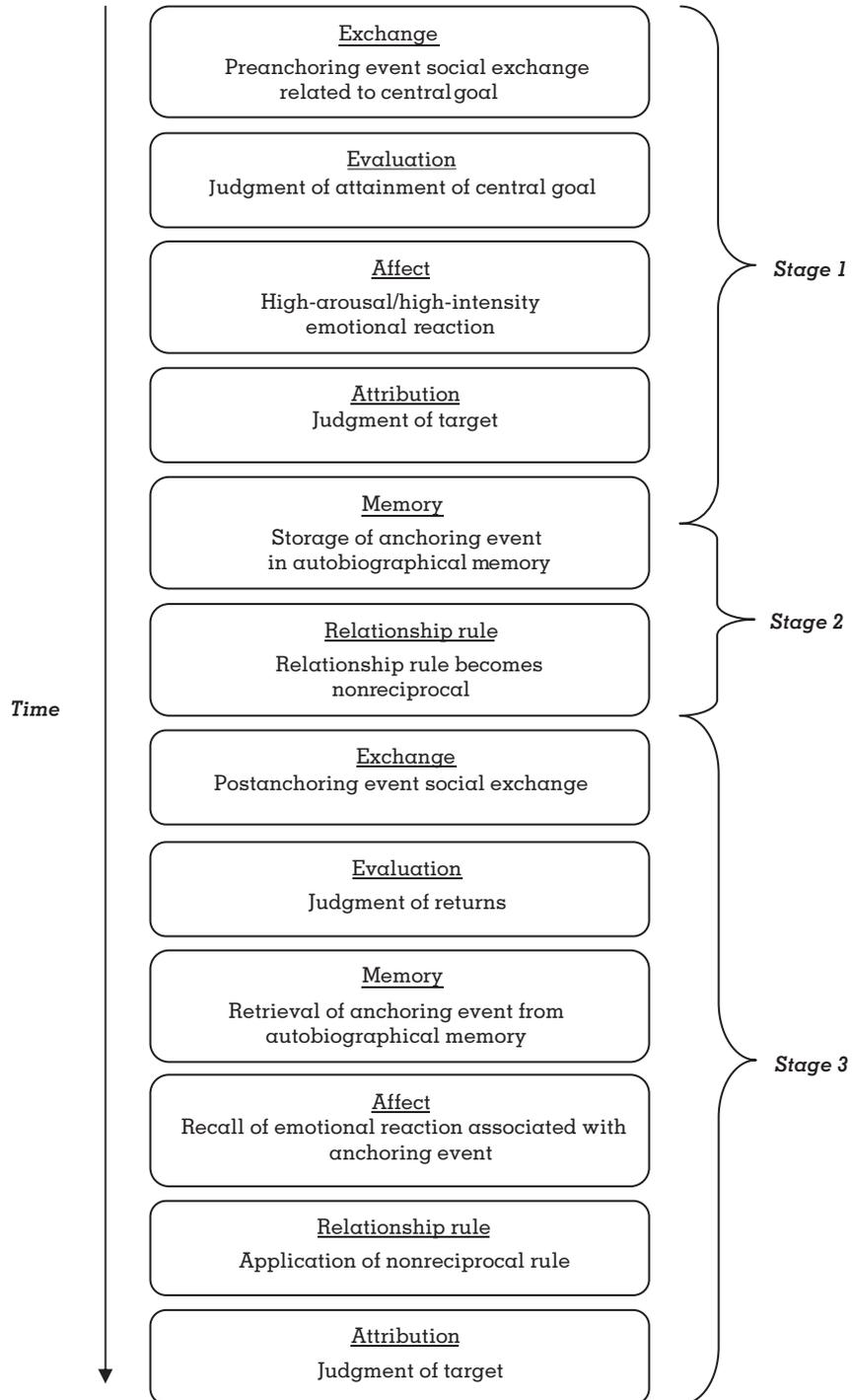
The combination of extreme dependence, relevance to a highly central goal, and perceived mismatch between expected outcomes and actual outcomes creates an affective response within the focal individual. The magnitude and direction of the affective reaction associated with the event lead to its being durably stored as a self-defining memory in autobiographical memory (Conway et al., 2004; Rubin & Kozin, 1984; Shum, 1998). If that affective response coincides with an attribution of the target as responsible for the outcome, the individual shifts the rules used to interpret the outcome of subsequent exchanges with the target (Baldwin, 1992). Future encounters with the target will lead to retrieval of details of the anchoring event from autobiographical memory, as well as an affective reaction to those remembered details (Lawler & Yoon, 1993, 1996, 1998; Leary, 2000; Zacks, Tversky, & Iyer, 2001). This affective reaction leads the focal individual to interpret the target's behavior in each subsequent exchange so as to support the new, nonreciprocal rule (Forgas, 2000; Leary, 2000), thereby making the new relationship state durable or resistant to change.

In order to detail the operations of anchoring events and how they change the rules for rela-

tionships, we lay out the process in three stages and depict this process in Figure 1. Our treatment of these as stages is only for illustrative purposes; it is certainly not true that one stage

must be fully complete before the next begins. These stages incorporate the definition of the anchoring event and highlight the impact of that anchoring event on the rules for the relationship.

FIGURE 1
A Model of Anchoring Events



Stage 1: Reacting to and Judging the Exchange

Following any social exchange where both the focal individual and the target are involved, the focal individual engages in an evaluation of the outcome and context of the exchange and an evaluation of the target believed to have caused the outcome (Blau, 1964). In this process the individual is first concerned with the evaluation of "value" in the exchange, which Homans (1961) defined as a maximization of "total profit" in the exchange. This profit is measured in terms of the individual's rules for the relationship at the time the exchange occurred (Meeker, 1971). We believe there are three possible judgments of the content of the exchange. The balance of expectations and returns may be neutral, in which case the exchange is viewed as "fair" (Lind, 2001). But it is possible that the outcome may produce either an excess profit for the focal individual, where the target overwhelmingly exceeds the individual's expectations, or a dramatic loss for the focal individual, where the target delivers either the wrong goods or services or fails to deliver goods or services of any value. The direction of judgment of the outcome (profit or loss) produces a primary appraisal that results in an affective reaction with a positive or negative valence (Weiner, 1985), while the magnitude of the discrepancy determines the intensity of this reaction (Carver & Scheier, 1998, 1999; Ortony, Clore, & Collins, 1988).

The second input is the degree to which the exchange is associated with a central goal of the focal individual. A central goal is one related to "developmental demands" (Conway et al., 2004: 508) and could concern such personal factors as growth, autonomy, achievement, intimacy, aging, and loss (Erikson, 1959). The centrality of the goal at stake in the exchange matters, because this means that the event has the potential to create an affective response sufficiently extreme in arousal to bring up an image of the self in memory and, thus, to create a self-defining memory (Conway et al., 2004; LeDoux, 1996). This image of the self is then subject to updating when the individual sees the central goal as being achieved, blocked, or in conflict with another central goal.

To be an anchoring event, it is not enough that the event create a self-defining memory; the exchange must also lead an individual to update the scripts of the self in relation to the target in autobiographical memory. At this stage, as

shown in Figure 1, the affective reaction to the exchange is determined, but there is a subsequent judgment made regarding whether to focus this reaction on the target of the exchange. This focus results from the attribution of the target's level of intentionality in his or her behaviors in the exchange and the perception that the target controlled the outcome of the exchange (Ortony et al., 1988; Weiner, 1985). Models of the relationship between attributions and trustworthiness have proposed that these are the standards by which individuals update their perceptions of the other party as a result of that party's behaviors in specific exchanges (Lewicki & Bunker, 1986; Tomlinson & Mayer, 2009).

To understand how these affective reactions are built from the focal individual's perspective, we can look at different types of emotional responses. Consider, for example, an exchange that renders the focal individual angry about the outcome, compared to one that renders the focal individual merely sad. Being angry, unlike being sad, is more likely to be associated with the blockage of a central goal and, thus, to include high arousal, but it is not necessarily associated with the actions of a target (Ortony et al., 1988). Only after attributing intentionality and controllability to the target will the focal individual focus his or her anger on the target, which will introduce a need to update the rules for future exchanges. An example of an evaluation with positive valence that emerges from an exchange where the outcome exceeds expectations and is attributed to the actions of a target is gratitude, which represents a "typical response to the perception that one has been the recipient of another moral agent's benevolence" (McCullough, Kilpatrick, Emmons, & Larson, 2001: 261). Gratitude, unlike happiness, is more likely to be associated with an attained central goal, which creates a higher level of arousal. But this gratitude is not the source of an anchoring event until it is specifically directed at the target of the exchange.

Stage 2: Relationship Change

As shown in Figure 1, once attribution to the target has been made, these affective reactions will lead to a change in the rules for conducting future exchanges. We propose that the anchoring event, taking on the specific characteristics above, can rapidly change a relationship to a nonreciprocal state. As a result of the attain-

ment or the blocking of a central goal and attribution to the target, the focal individual will change his or her view of the target's role in helping the individual reach his or her goals through future exchanges. The result will be that the individual will update his or her memories of prior exchanges with the target, as well as the rules held in his or her script for conducting further exchanges with the target (Baldwin, 1992).

When this rapid updating of the rules for future exchanges occurs in the context of a reciprocity-based relationship, the preferred rules for the next exchange will shift from the initial concern for balance or fairness in the exchange to a different state so as to adjust for the new expectations of the future returns from the target (Lind, 2001). So, for exchanges after a negative anchoring event, the focal individual will respond by changing his or her goals for future exchanges to achieve what is, in the individual's view, a positive outcome when he or she does not believe the other person is able to conduct balanced exchanges. The focal individual will select a rule for conducting future exchanges that best provides for protection and enhancement of the self and the attainment of these new revised goals in future exchanges with the target (Baldwin, 1992; Wilson & Ross, 2001). This may be competition, where the individual seeks to maximize the difference between his or her own and the target's outcomes in future exchanges (Meeker, 1971); revenge, where the individual seeks to minimize the target's outcomes without regard for his or her own (Bies & Tripp, 1996); or rationality, where the individual simply seeks to maximize his or her own outcomes without regard for the target's outcomes (Emerson, 1976; Meeker, 1971). Because these have negative implications for the target, we refer to these as negative nonreciprocal states.

For exchanges after a positive anchoring event, a focal individual will select the rule for conducting future exchanges to enhance the outcomes of the target. This rule may either be altruism, where the person seeks to maximize the target's outcomes without regard for his or her own outcomes, or group gain, where the person seeks to maximize the joint outcomes of both him/herself and the other party (Meeker, 1971). Under these rules the target is adopted into the individual's own self-identity, and the

goal for the relationship becomes maximizing the target's returns (Meeker, 1971). We refer to these as positive nonreciprocal states.

This updating of the rules for future exchanges happens prior to the next exchange—a prediction that runs counter to thinking in social exchange theory, which holds that revisions to rules for conducting exchanges occur over an extended series of exchanges (Cropanzano & Mitchell, 2005; Emerson, 1976). Because this rapid change in the rules for the relationship leads to a change in the focal individual's working model of self in this exchange relationship, the new rule, as well as the content of the event, is durably encoded into autobiographical memory as a part of the focal individual's new identity, thereby creating a new relationship state that is resistant to change (Conway et al., 2004).

Stage 3: Durability of the New Relationship State

The asymmetry in durability between anchoring events and other events occurs as a result of the permanence of storage of the event in autobiographical memory. This is because, unlike less goal-relevant events, these self-defining memories are repeatedly rehearsed and then recalled in the future (Conway et al., 2004). Increased rehearsal means that the details of these events are played over and over again in the focal individual's mind, whenever he or she happens to think about the target (Lam & Buehler, 2009; Wilson & Ross, 2001). The importance of rehearsal is central in the literature on memory, which has long acknowledged that while an individual's ability to recall most events degrades at an increasing rate over time (Chechile, 2006), certain intense memories are able to be recalled for very long periods of time, even entire lifetimes (e.g., Conway et al., 2004; Shum, 1998), and that rehearsal of such memories improves the likelihood they will be retained (Johnson, 1980). With each repeated playback of the memory, the anchoring event is essentially relived, which makes it increasingly likely the memory will be recalled. As depicted in Figure 1, when engaging in a postanchoring event exchange with the target, the focal individual recalls the initial judgment of the exchange, the initial affective response, and the resulting change in the relationship rule, which

further cements the memory and the changed rule for the relationship.

As a result of the affect associated with these memories, cognitive behavioral cycles are initiated (Safran, 1990), where subsequent exchanges between the focal individual and the target are interpreted to support the revised rules, as shown in Figure 1. There is much empirical support for the idea that individuals will select and pay attention to information that confirms, rather than disconfirms, prior beliefs (Eagly & Chaiken, 1993; Greenwald, 1980), a condition that is made even more likely when individuals are experiencing higher levels of affective arousal (Easterbrook, 1959; Leary, 2000; Mano, 1992; Paulhus & Lim, 1994). So when an individual recalls an event and experiences the positive or negative emotion associated with that event, the extent of the arousal associated with that memory will lead to a reduction in the evaluation of new information. This makes it more likely that the focal individual will rely on the most available or easiest information to recall in interpreting the target's behavior in the subsequent exchange. This is consistent with the idea that emotion gets "infused" into cognitive appraisals (Forgas, 1995); positive affect-inducing memories (such as those from a positive anchoring event) will lead to more favorable judgments of objectively negative stimuli, and negative affect will lead to less favorable judgments of positive stimuli (Forgas & Bower, 1987). An anchoring event should thus lead to selective perception of the target in the processing of subsequent information, where the focal individual seeks to locate and find subsequent behaviors and facts about the target that confirm the current view (rule) of the relationship (Fiske & Taylor, 1991; Robinson, 1996; Safran, 1990). Together, these effects on cognitive processing make it likely that the relationship will stay in its nonreciprocal state.

For example, assume that a positive anchoring event has occurred between a focal individual and a target. The event is associated with positive affect (Stage 1) and is deeply encoded into autobiographical memory, in the process changing the relationship rule to a positive nonreciprocal state, such as altruism (Stage 2). Then, in a subsequent exchange, the target commits an act that (objectively measured) does not meet expectations; perhaps the focal individual

offers a highly valued gift to the target, and the target rejects or denigrates it. This is unexpected. But this unexpectedness leads the focal individual to make a decision; the individual must attribute the reason for the unmet expectations, so he or she looks for information to make sense of the target's behaviors. The most salient and available information likely to be recalled from memory, we argue, is the previous anchoring event, along with the associated affect. The overweighting of information that is easily recalled and most intense (Ariely & Zaubergerman, 2003; Tversky & Kahneman, 1974), along with the specific affective state that emerges on retrieval, changes the processing of information to make it easier to access information about the benefits of the relationship and reduces the likelihood of an internal attribution about the target's motives. These biases, in turn, cause the individual to not see the unexpected event as a negative exchange or a negative anchoring event.

Having laid out the process by which anchoring events rapidly and durably change relationships, we turn our attention to the features of the relationship and the social context that impact whether anchoring events will occur. That is, we seek to understand the conditions under which anchoring events are more or less likely, which will help guide future empirical examination of anchoring events in social exchange relationships.

THE LIKELIHOOD OF ANCHORING EVENTS

In this section we introduce propositions for those conditions that, we believe, make anchoring events more or less likely to occur and those factors that influence the likelihood, magnitude, and direction of these events. What we mean by the phrase "more or less likely to occur" is that an exchange in one particular context is more or less likely to serve as an anchor than exchanges in other contexts. We argue that the contextual factors that impact the likelihood an anchoring event will occur are the focal individual's and target's time in the relationship, the current rule of the relationship, and the social context in which the potential anchoring event takes place.

Anchoring Events and Time in the Relationship

We argue that the likelihood an anchoring event will occur in a reciprocity-based relationship is partially a function of the age of the relationship, measured in terms of number of exchanges. We believe that events that occur early in a reciprocal relationship are more likely to have a lasting impact than those that occur later (Clark & Mills, 1979; Robinson, 1996). As relationships develop over time, any number of unwritten rules, norms, and patterns emerge, which drive the exchange and reduce the likelihood that the target will be seen as providing an extraordinarily positive or negative quantity of goods or services (Holmes, 1981). It also follows that the longer a focal individual operates within the same social or organizational context, the more his or her power grows and, thus, the more he or she gains an increased ability to restructure and reduce dependence on other individuals (Emerson, 1962). This reduced dependence makes it less likely that a particular anchoring event will occur.

This is supported by research and theory on employee socialization, which emphasizes the uncertainty and likelihood of surprising events during the time when newcomers enter an organization (Louis, 1980). Newcomers are vulnerable at this time because of the large amount of uncertainty in the environment (Saks & Ashforth, 1997), which they attempt to reduce by interacting with supervisors and peers (Morrison, 1993a,b). Anxiety is often present during this process, since newcomers are at risk of not finding the information they need (Saks, 1995). This state of increased dependence and anxiety early in an individual's tenure in this social context lays the groundwork for stronger and more impactful anchoring events. As individuals become more familiar with the social context, they learn better what to expect and what will be received from exchanges, and they are less likely to experience conditions of overly positive or negative exchanges.

Once a relationship has reached a nonreciprocal state through an anchoring event, the likelihood of a subsequent anchoring event also diminishes over time as the memory of the event is rehearsed and becomes more deeply written into autobiographical memory (Conway et al., 2004). An immediate opposite reaction from the

target in a subsequent exchange is more likely to overwhelm the first event and cause the relationship to revert to a different state, because the focal individual has rehearsed the memory of the anchoring event fewer times. Research on service recovery, for example, has suggested that speed of an apology leads to an increased willingness to do future business with a firm following a poor experience (Conlon & Murray, 1996; Liao, 2007). Each subsequent interaction leads to an increase in the number of times the individual relives the content of the anchoring event, and, as such, the self-defining memory of that first event becomes more durably written into the focal individual's view of his or her long-term self. While one might suspect that memory of the anchoring event will fade over time and therefore create a situation where the relationship is ripe for change (Frantz & Bennis, 2005), we believe that in future exchanges with the target, this self-defining memory freely emerges, is rehearsed (Lam & Buehler, 2009; Wilson & Ross, 2001), and is applied in evaluating future exchanges. The more two parties interact after an initial anchoring event, the less likely it is that a subsequent event will shift the relationship.

Proposition 1: The likelihood of an anchoring event is inversely related to the time since the inception of the relationship and the time since the relationship entered into a nonreciprocal state via an anchoring event.

Anchoring Events in Reciprocal Relationships

In reciprocity-based relationships the balance of exchanges accruing to the focal individual can be positive, neutral, or negative. Positive balances lead to a gradual emergence of more generalized relationships where a less immediate or precise accounting for these balances emerges (Lawler, 2001; Molm, 2003). Negative accumulations of these exchanges lead to cases where the focal individual suspiciously protects the balance between goods and services received. Lawler (2001) called this "negotiated exchange," which is marked by the close monitoring of the timing and content of returns provided by the target in order to ensure immediate balance. In reciprocal relationships where there is a positive balance, we believe that there is a high

probability that a positive anchoring event will occur, whereas in reciprocal relationships with a negative balance, there is a high probability that a negative anchoring event will occur. Assuming no anchoring event has already occurred in the relationship, the current balance in the relationship will impact how the focal individual will attribute the target's behavior.

When a positive balance exists, the focal individual will see the target as being more responsible for good actions, whereas when a negative balance exists, the focal individual more likely will see the target as being responsible for bad actions (Heider, 1958; Regan, Straus, & Fazio, 1974). On the positive side, it is likely that the goodwill in the relationship, which has been built through repeated positive exchanges, will make it less likely that any negative behavior will be attributed internally to the target (Avison, 1980). Because internal attributions are central to the occurrence of a negative anchoring event, this makes the negative anchoring event less likely. For relationships with a negative balance, individuals will more closely monitor the goods and services exchanged (Lawler, 2001). Because negative events have greater emotional impact relative to positive events (Baumeister, Bratslavsky, Finkenauer, & Vohs, 2001), there is a greater likelihood that any disappointing outcome from an exchange will be attributed internally to the target as this suspicion increases. This resulting anchoring event (the proverbial "straw that broke the camel's back") will shift the relationship into a negative nonreciprocal state. This is supported by research showing that when a target has positive attributes, the focal individual will give him or her more "rewards" (Johnson, Erez, Kiker, & Motowidlo, 2002), and it is supported by research showing that as "closeness" increases in relationships, it is less likely that people will attribute disappointing exchanges internally to the target (Finkel, Rusbult, Kumashiro, & Hannon, 2002).

Proposition 2: As the balance of reciprocal exchanges becomes more positive or more negative, an anchoring event of the same valence is more likely to occur than an event of the opposite valence.

We further argue that anchoring events of any valence are more likely to occur in reciprocal relationships with a negative balance. To be

sure, more of these are likely to be negative than positive (Proposition 2), but we believe that the raw number of anchoring events measured will be greater when the balance of exchanges in reciprocity is negative rather than neutral or positive. Positive social exchanges, which are likely to occur when the balance is neutral or positive, generate positive affect (Lawler & Yoon, 1993, 1996, 1998; Molm et al., 2000), which leads individuals to be more likely to overlook details and to engage in less immediate accounting of exchange returns (Forgas & George, 2001). As the balance of reciprocal exchanges grows negative, however, an individual's negative affect in the exchanges increases (Lawler, 2001), which leads the individual to use a bottom-up, detail-oriented means of evaluating the exchange partner's deliveries in subsequent exchanges (Forgas & George, 2001). In this negotiated exchange state "offers can be compared easily, and actors are sensitive to departures from equality" (Lawler, 2001: 337). Emotional reactions to exchanges in this mode are, Lawler proposed, stronger than those that occur in non-negotiated reciprocal exchanges, a condition that holds for exchanges with positive or negative returns. This increased affect makes it more likely that exchanges occurring in this mode will be written into long-term autobiographical memory and, thus, more likely to serve as anchoring events.

Proposition 3: An anchoring event is more likely to occur in a reciprocal relationship that is negative than in a reciprocal relationship that is positive or equally balanced.

Anchoring Events in Nonreciprocal Relationships

Once a relationship reaches a nonreciprocal state, subsequent exchanges will be evaluated and conducted by the focal individual with an eye toward these nonreciprocal rules. So while predictions for anchoring events in reciprocal relationships are based on how we evaluate events that deviate from expectations for balance, different principles must be applied to make predictions for the likelihood of anchoring events in nonreciprocal relationships. We propose that two factors drive the likelihood that a subsequent exchange will serve as an anchor-

ing event that leads the relationship in the opposite direction. These are the specific state of the nonreciprocal relationship (positive or negative) and whether the relationship reached that state via a previous anchoring event (via a "chute") or via a gradual process (via a "ladder").

For relationships relying on negative nonreciprocal rules, we argue that the likelihood of a positive anchoring event will be lower if the relationship developed through a negative anchoring event versus through a gradual process. When a relationship reaches a negative nonreciprocal state through an anchoring event, there exists one specific memory that serves to alter the interpretation of subsequent actions. Negative information is better remembered than neutral information when stored in long-term memory (Kensinger & Corkin, 2003). As each future exchange is conducted, this memory creates a biased interpretation of the outcome that favors the focal individual, particularly in cases where the "objective" returns in the exchange may tell a different story (Wilson & Ross, 2001). In nonreciprocal relationships reached via the gradual route, no such self-defining memory exists to anchor the negative relationship, and, thus, a positive memory can take a prominent place in the focal individual's autobiographical memory.

Further, individuals erect a higher burden of proof on others who have committed breaches of trust to prove they are subsequently trustworthy (Kim et al., 2009), and we believe this coincides with negative emotional content in the relationship (e.g., anger and fear). This emotional content then decreases the likelihood the focal individual will attribute an external reason for the initial betrayal or will attribute an internal reason for a positive outcome in an exchange (Tomlinson & Mayer, 2009). Additionally, once such a negative memory exists, the cognitive behavioral cycle initiated in any subsequent exchange may lead the focal individual to engage in an act aimed at harming the target (Bies & Tripp, 1996). As a result, one major negative anchoring event will make it more likely that a second negative anchoring event will take place, and it is this second negative anchoring event that will make it even harder for the relationship to revert to a reciprocal state (e.g., Maxham & Netemeyer, 2002).

It follows from this logic that after a negative anchoring event the most that the relationship

can be repaired to is rationality—an "uneasy peace" where the individual acts solely to maximize and protect his or her own interests without any concern for the outcomes (benefits or damages) to the target (Emerson, 1976). It is highly unlikely, for example, that an individual who feels he or she had been unfairly dismissed would ever go back to work for an employer even if he or she received complete satisfaction (e.g., via an excessive damage award) from the results of litigation, unless the individual received significant contractual protection (e.g., Lind, Greenberg, Scott, & Welchans, 2000). Trust has also been found to be harder to fully repair when a violated individual believes he or she was deceived (Schweitzer, Hershey, & Bradlow, 2006). Following a negative anchoring event, positive consideration of benefits to the target in exchanges, as is required in reciprocity, becomes difficult to achieve once the individual defines himself or herself as being in opposition to the other party; the damage is "irreversible" (Bies & Tripp, 1996: 259).

Proposition 4: A positive anchoring event that moves a relationship to a different rule will be more likely to occur in a negative nonreciprocal relationship that reached the negative state through a gradual process than through a prior anchoring event.

When a positive nonreciprocal relationship forms following a gradual series of positive exchanges, extrinsic and intrinsic investments in the relationship accumulate (Rusbult, 1983), and this leads the exchange partners to more likely overlook and/or forgive transgressions (Finkel et al., 2002). Each step up the ladder represents a period of time where the exchanges in the relationship are likely to have generated increased satisfaction among both parties and therefore to have led to deeper commitment (Rusbult, 1983). The relationship slowly builds from being based on reciprocity to being mutually governed by other-directed rules (e.g., altruism) such that by the time the relationship reaches a nonreciprocal state, it is unlikely that a subsequent event will reverse the process. However, even though the memory may have been rehearsed several times, we believe that positive relationships reached via anchoring events are nevertheless more susceptible to reversion to reciprocity or to a negative nonreciprocal state because the in-

vestments are not as rich, creating a greater likelihood of a mismatch between actions and expectations.

Proposition 5: A negative anchoring event that moves a positive nonreciprocal relationship to a different rule will be more likely to occur if the relationship reached the positive state through a prior anchoring event rather than through a gradual process.

Anchoring Events and the Social Context

We also believe that the likelihood an anchoring event will occur is determined in part by the social context in which the exchange takes place. Specifically, we argue that the likelihood of the anchoring event is based on what the focal individual has seen the target deliver to other members of the focal individual's referent group. What is relevant in these cognitions is whether the focal individual feels he or she has received treatment from the target that is consistent with what others have received from the target (Greenberg, 1993; Lind, 2001; Lind & Tyler, 1988). When the focal individual sees that he or she has received positive treatment exceeding his or her needs, yet treatment that is consistent with what others have received from the target, the chance of an anchoring event is decreased. This presence of similar treatment to others mitigates or mutes the emotional reaction, because the focal individual sees that he or she is not the sole focus of the exchange. If, on the other hand, the benefit received by the person is not consistent with what those in the person's referent social group have received, or if the treatment occurs in private, then the person will feel singled out for consideration that is different from that received by members of his or her referent group.

On the positive side, an exchange unique from others is likely to lead to a more individualized concern for the target's reasons for providing such overpayment. The focal individual is more likely to shift to seek to maximize the target's outcomes (without consideration for his or her own benefits) as a result of this emergent empathic concern for the source of the benefit from the earlier exchange (Friedrichs, 1960). But when the anchoring event is negatively va-

lenced, the relationship rules used by the focal individual also change, from a preference for balance to a preference for different outcomes. The intensity of the response is driven then by the strength of the social emotion associated with the anchoring event. If the social context of the negative exchange leads an individual to perceive he or she was "singled out" for this negative outcome, then the individual will react more intensely to the outcome, and this would be expected to lead to a shift to conducting future interactions aimed at damaging the target. Lind and colleagues (2000) called this "the vendetta effect." In their research they found increased litigation by people as a motivated response to perceived unfair treatment in dismissal from their job (Lind et al., 2000). In these cases the focal individual becomes other focused as a result of the diminution of his or her own identity that occurred in the focal anchoring exchange.

Proposition 6: To the degree that the content of an exchange is perceived as unique to the focal individual and separate from how the target acts toward members of the individual's referent group, the more likely it is that an anchoring event will occur.

DISCUSSION

We aim not to replace social exchange theory or even to supplant reciprocity as the primary set of rules by which exchange relationships operate in organizations but, instead, to show how single events can move relationships to nonreciprocal exchange forms in a much quicker fashion than previously considered and how they can make those relationships resistant to change. In reciprocity-based relationships, once the "debt" is paid from any exchange, the focal individual is still in reciprocity, even if the returns were above or below initial expectations. Any future exchange is still based on "balance" and "fairness." What we propose is that the deeply encoded memory of the anchoring event prevents an easy return to reciprocity. That is, a person may have objectively settled the score from that initial excess return many times over and yet remain in a positive nonreciprocal state because that memory is so deeply rooted in the individual's definition of that par-

ticular relationship. This is what we mean by durability.

We believe this approach makes three key revisions to current theory. The first departure is that we propose, unlike social exchange theory, that memory of specific events plays a key role in relationship development and evaluation. The general pattern of events matters in setting the terms of exchange (Emerson, 1976; Molm et al., 2000), but only if an anchoring event has not yet occurred. Once an anchoring event happens, it is that exchange that is most readily available in memory, and that is the exchange that will set the future rules for the relationship.

Second, once an anchoring event has occurred, it is the characteristics of that exchange, rather than its timing, that will be of central importance in determining the form of the relationship. This is in contrast to fairness heuristic theory, which states that primacy matters: judgments that come first count the most (Lind, Kray, & Thompson, 2001). Under this theory the early judgments set the heuristic "in play," which then becomes resistant to change unless there is a significant deviation of expectations for fairness in a future exchange (Lind, 2001). We suggest an alternative hypothesis: events that are the most severe and that have certain characteristics, regardless of when they come, count the most because they replace fairness as the heuristic by which future exchanges are judged.

Finally, while fairness heuristic theory suggests that a negative anchoring event occurring in a positive exchange relationship, or vice versa, would simply put the relationship back into a judgmental mode, we believe that an anchoring event can not only push the relationship into a negative nonreciprocal state but can also make the resulting relationship resistant to change. A negative anchoring event in a positive exchange relationship thus has the potential to bypass the judgmental mode and create long-term damage, despite the fact that it was preceded by a long succession of fair exchanges. This is supported by research on the impact of "hurt feelings" in social exchanges, which demonstrates that hurt feelings that are remembered longer are those that occur in the context of close, positive relationships (Leary, Springer, Negel, Ansell, & Evans, 1998; Vangelisti, 1994).

We believe this notion of the anchoring event has the potential to improve our understanding

of exchange relationships in the area of inter-party agreement on the quality of exchange. We know that partners in a relationship do not need to share equal perceptions about the quality of the exchange; thus, a particular event could serve as an anchor for one and not the other. Gerstner and Day (1997), among others (e.g., Brower, Schoorman, & Tan, 2000), have pointed out that leader-member exchange perceptions in the relationship tend to be only mildly correlated with each other. Given that we know that social exchange relationship quality is socially constructed (Berger & Luckmann, 1967), it may be that the way memories are differentially constructed by parties determines their own perception of the relationship and the consequent rules on which they rely in conducting future exchanges.

Research Implications

We hope that this discussion of the anchoring event concept and its implications for modeling the operation of relationships creates research interest in both laboratory and field investigations regarding the details of how specific nonreciprocal exchange relationship rules emerge as a consequence of specific events. As one example, it would be possible to manipulate the social context and valence of the anchoring event to show how they may interact in determining the specific new relationship rules applied by the focal individual in the next exchange with the target. Given that certain nonreciprocal forms (group gain and competition) involve joint consideration of the individual's and the target's outcomes whereas others (altruism, rationality, and revenge) do not, it might be that the social context of the anchoring event will predict the specific state that emerges.

For negative anchoring events where the target is seen as delivering treatment consistent with what the focal individual sees others in his or her referent group receiving, the individual would be expected to shift to an interpretation that self-reliance is appropriate for future exchanges with the target, which should lead to a shift to use of a rule of rationality in future exchanges. If, however, the other party delivers treatment that is inconsistent with what the individual sees granted to other members of his or her reference group, the individual then has a

felt need to differentiate himself or herself from the other party through competition. Strongly negative social emotions that emerge in these exchanges could lead the individual to distinguish him/herself in future interactions with the other party by attempting to diminish the other's outcomes; that individual could switch to applying rules of revenge for subsequent exchanges.

A second aim of research efforts should be to test the competing propositions we make relative to those proposed in theories based on the assumption that people seek to maintain or restore balance in exchanges. What we propose is that the judgment made in that exchange in the series where the stakes are highest is the one that sets the future rules for exchange. That is, the gradual accumulation of exchange returns or what happens first will serve to set the terms of exchange until an anchoring event occurs. This is easily manipulated in laboratory contexts by varying the magnitude of the extent of unfairness or injustice as well as the order of positive and negative treatments to see whether it is true that exchange terms are set by the first exchange (van den Bos, Vermunt, & Wilke, 1997) or the first unfair exchange (Lind et al., 2001), or whether they are anchored on the judgment of the most important and affect-laden exchange in the series. Varying the magnitude of the treatments will also allow us to answer the critical empirical question of what specific "tipping point" in terms of intensity of affective reaction is required in order for the exchange to serve as an anchoring event.

These predictions could potentially be tested in a laboratory or field setting by investigating which memories over a series of events are most salient to individuals and are the most lasting. For instance, participants could be playing a series of games (e.g., poker), be in a series of meetings (e.g., committees), or be asked about relationships that have recently ended. Then, at multiple time intervals afterward, they could be asked about the status of the relationship with the target and the memories most salient with regard to that target. Memories recalled from the beginning of the relationship but not under conditions of high dependence would provide support for the primacy proposition in fairness heuristic theory (Lind, 2001). Memories recalled from the end of the relationship or throughout the relationship would provide support for cumulative social exchange building (Emerson, 1976).

Significant memories recalled, though, along with emotional reactions, would suggest that it was an anchoring event that eventually set the rules for that relationship. This would provide a way to see the predictive power of anchoring events in determining not only the most proximal outcome—the change in the rules for relationships—but also the more distal outcomes, such as citizenship behaviors, organizational turnover, and deviance.

Another approach to testing the propositions above would be to look at the occurrence of the anchoring event as the dependent variable. Theoretically, this could be accomplished in order to determine what individual or organizational factors would make it more likely that certain memories become more deeply encoded. For instance, it is possible that individuals more prone to affective responses are more likely to generate self-defining memories that serve to anchor their relationships. Analytically, this could be tested in multiple ways. If the interest is in predicting whether the event has occurred or how many events have occurred, count models such as logit and probit could be used. It may also be interesting to study the rate of certain types of events occurring over a specific period of time; for this a hazard function in event history analysis could be employed.

Finally, it is interesting to think about whether there may be social influence processes at play regarding the operation of anchoring events. While we have built the case that the durability of the memory of anchoring events is based largely on the affective reaction of the focal individual, we have not discussed how that reaction affects the target. If the target senses that emotional reaction, he or she may seek to resolve the situation quite quickly or in the next exchange, attempting to mitigate (or strengthen) the effects of the original exchange. The process by which the target notices that an event might be anchoring and how he or she decides to manage the exchange would be a worthy extension to this model and one that would link this to both the emotion literature and trust repair literature. Also, it would be interesting to explore whether a particular exchange between two parties can become an anchoring event among a broader group of individuals. If an anchoring event occurs and the memory is particularly vivid and durable for a long period of time, the repeated sharing of that memory could help that

experience morph into an individual, group, or even organizational story (perhaps an “us-defining” memory beyond a “self-defining” memory) with the power to affect culture (e.g., Pratt, 2000). This also suggests that it may be interesting to investigate whether managers or organizations can control the spread of stories and narratives surrounding anchoring events so that positive events are emphasized and negative events are mitigated. Whether anchoring events are contagious in this way—affecting the cognitions of a broader collective—would help inform how powerful such events are in the long term.

Implications for Practice

One important consideration of anchoring events as an alternate route to nonreciprocal exchange relationships is that organizational programs designed to gradually instill positive exchange and strong identification should be supplemented with an effort to create moments, or extreme events, where the individual realizes that a supervisor or organization is willing and able to go above and beyond expectations toward the relationship. We believe that the success of mentoring and training programs employed in organizations revolves less around the gradual building of identification and task knowledge and more around the rapid building of a sense of identification and high-quality exchange. It may be that intense socialization programs such as those used by the armed services are critical not just for the actual preparation (in both physical and task knowledge) but more for the extent to which they contain extreme events that lead to durable positive exchange relationships. This occurs during periods of initial training, where individuals are highly dependent on mentors, drill instructors, supervisors, or coworkers (Van Maanen, 1976).

Understanding the durable nature of nonreciprocal exchange relationships precipitated by anchoring events also highlights the risk to managers and firms of investing time and effort in repairing negative relationships. In organizational contexts, relationships that are based on negative rules of exchange (e.g., competition, revenge) need to be repaired not with a goal of recreating the old level of reciprocity in the relationship but, instead, with an eye toward appealing to each party’s self-interest in maintain-

ing positive relationships with other exchange targets in the workplace. Managers should stress the negative impact that acting to get revenge will have on others in a person’s social network. These interventions should not be aimed at restoring a false sense that “we’re all in this together again,” since this would likely be wasted effort, for an individual who feels betrayed is unlikely to be motivated to change his or her relationship rules by an organizationally mandated apology.

Managers also need to take care that they understand the different narratives surrounding anchoring events and how they can impact other relationships in the workplace. An anchoring event for the focal individual need not be an anchoring event for the target, so managers and coworkers who only hear one perspective from the focal individual may make attributions about the target that lead to actions that may be premature. They also need to be aware that individuals who may be the target of several exchanges that became negative anchoring events with multiple members of the workgroup may end up being the target of retaliatory action.

Conclusion

We have moved for too long on the assumption that individuals in organizations *continually* maintain or seek to maintain reciprocity—that they always monitor their own outcomes in the context of the outcomes for the target—when making decisions regarding relationship behaviors. In addition, we have structured much of our thinking on the way exchange relationships in organizations form and operate based on the assumption that deeper exchange relationships require time to develop. This is clearly at odds with the way we see relationships developing in other contexts (e.g., social, romantic), where we freely acknowledge that the development of a relationship need not be gradual at all and may be “sparked” into a certain form by a significant event (e.g., “love at first sight”). In these other arenas the application of different rules for the exchange relationship, such as revenge, competition, altruism, and group gain, are seen as common (Meeker, 1971).

While we understand why individuals might behave in those ways (e.g., strong identification), our literature has been silent as to how

relationships in the organizational context progress into those forms. We argue that we may be better able to tell how relationships reach a particular state by looking at anchoring events. We hope that this greater understanding of how relationships reach more extreme forms can be applied to generate deeper positive exchange relationships within organizations, as well as help us understand how to treat the consequences of the negative forms of such extreme exchanges.

REFERENCES

- Adams, J. S. 1965. Inequity in social exchange. *Advances in Experimental Social Psychology*, 2: 267–299.
- Ariely, D., & Zauberaman, G. 2003. Differential partitioning of extended experiences. *Organizational Behavior and Human Decision Processes*, 91: 128–139.
- Avison, W. R. 1980. Liking and the attribution of causation for success and failure. *Journal of General Psychology*, 102: 197–209.
- Baldwin, M. W. 1992. Relational schemas and the processing of social information. *Psychological Bulletin*, 112: 461–484.
- Baumeister, R. F., Bratslavsky, E., Finkenauer, C., & Vohs, K. D. 2001. Bad is stronger than good. *Review of General Psychology*, 5: 323–370.
- Berger, P. L., & Luckmann, T. 1967. *The social construction of reality*. New York: Doubleday.
- Bies, R. J., & Tripp, T. M. 1996. Beyond distrust: "Getting even" and the need for revenge. In R. M. Kramer & T. Tyler (Eds.), *Trust in organizations*: 246–260. Newbury Park, CA: Sage.
- Blau, P. M. 1964. *Exchange and power in social life*. New York: Wiley.
- Brief, A. P., & Motowidlo, S. J. 1986. Prosocial organizational behaviors. *Academy of Management Review*, 11: 710–725.
- Brower, H. H., Schoorman, F. D., & Tan, H. H. 2000. A model of relational leadership: The integration of trust and leader-member exchange. *Leadership Quarterly*, 11: 227–250.
- Cantor, N., & Kihlstrom, J. F. 1985. Social intelligence: The cognitive basis of personality. *Review of Personality and Social Psychology*, 6: 15–33.
- Caruso, E. M. 2008. Use of experienced retrieval ease in self and social judgments. *Journal of Experimental Social Psychology*, 44: 148–155.
- Carver, C. S., & Scheier, M. F. 1998. *On the self-regulation of behavior*. New York: Cambridge University Press.
- Carver, C. S., & Scheier, M. F. 1999. Themes and issues in the self-regulation of behavior. *Advances in Social Cognition*, 12: 1–105.
- Chechile, R. A. 2006. Memory hazard functions: A vehicle for theory development and test. *Psychological Review*, 113: 31–56.
- Clark, M. S., & Mills, J. 1979. Interpersonal attraction in exchange and communal relationships. *Journal of Personality and Social Psychology*, 37: 12–24.
- Conlon, D. E., & Murray, N. M. 1996. Customer perceptions of corporate responses to product complaints. *Academy of Management Journal*, 39: 1040–1056.
- Conway, M. A., & Pleydell-Pearce, C. W. 2000. The construction of autobiographical memories in the self-memory system. *Psychological Review*, 107: 261–288.
- Conway, M. A., Singer, J. A., & Tagini, A. 2004. The self and autobiographical memory: Correspondence and coherence. *Social Cognition*, 22: 491–529.
- Cook, K. S., & Rice, E. 2003. Social exchange theory. In J. Delameter (Ed.), *Handbook of social psychology*: 53–76. New York: Kluwer Academic/Plenum.
- Cropanzano, R., & Mitchell, M. S. 2005. Social exchange theory: An interdisciplinary review. *Journal of Management*, 31: 874–900.
- DeVos, A., Buyens, D., & Schalk, R. 2003. Psychological contract development during organizational socialization. *Journal of Organizational Behavior*, 24: 537–559.
- Dirks, K. T., & Ferrin, D. L. 2002. Trust in leadership: Meta-analytic findings and implications for research and practice. *Journal of Applied Psychology*, 87: 611–628.
- Eagly, A. H., & Chaiken, S. 1993. *The psychology of attitudes*. Orlando, FL: Harcourt Brace Jovanovich.
- Easterbrook, J. A. 1959. The effect of emotion on cue utilization and the organization of behavior. *Psychological Review*, 66: 183–201.
- Eisenberger, R., Huntington, R., Hutchison, S., & Sowa, D. 1986. Perceived organizational support. *Journal of Applied Psychology*, 71: 500–507.
- Emerson, R. M. 1962. Power-dependence relations. *American Sociological Review*, 27: 31–40.
- Emerson, R. M. 1976. Social exchange theory. *Annual Review of Sociology*, 2: 335–362.
- Erikson, E. H. 1959. *Identity and the life cycle: Selected papers*. Oxford: International Universities Press.
- Finkel, E. J., Rusbult, C. E., Kumashiro, M., & Hannon, P. A. 2002. Dealing with betrayal in close relationships: Does commitment promote forgiveness? *Journal of Personality and Social Psychology*, 82: 956–974.
- Fiske, S. T., & Taylor, S. E. 1991. *Social cognition* (2nd ed.). New York: McGraw-Hill.
- Forgas, J. P. 1995. Mood and judgment: The affect infusion model (AIM). *Psychological Bulletin*, 117: 39–66.
- Forgas, J. P. 2000. Affect and information processing strategies. In J. P. Forgas (Ed.), *Feeling and thinking*: 253–282. Cambridge: Cambridge University Press.
- Forgas, J. P., & Bower, G. H. 1987. Mood effects on person-perception judgments. *Journal of Personality and Social Psychology*, 53: 53–60.
- Forgas, J. P., & George, J. M. 2001. Affective influences on

- judgments and behavior in organizations: An information processing perspective. *Organizational Behavior and Human Decision Processes*, 86: 3–34.
- Frantz, C. M., & Bennis, C. 2005. Better late than early: The influence of timing on apology effectiveness. *Journal of Experimental Social Psychology*, 41: 201–207.
- Friedrichs, R. W. 1960. An exploratory assessment of altruism. *American Sociological Review*, 25: 496–508.
- Gerstner, C. R., & Day, D. V. 1997. Meta-analytic review of leader-member exchange theory: Correlates and construct issues. *Journal of Applied Psychology*, 82: 827–844.
- Gouldner, A. W. 1960. The norm of reciprocity: A preliminary statement. *American Sociological Review*, 25: 161–178.
- Greenberg, J. 1993. The social side of fairness: Interpersonal and informational classes of organizational justice. In R. Cropanzano (Ed.), *Justice in the workplace: Approaching fairness in human resource management*: 79–103. Hillsdale, NJ: Lawrence Erlbaum Associates.
- Greenwald, A. G. 1980. The totalitarian ego: Fabrication and revision of personal history. *American Psychologist*, 35: 603–618.
- Heider, F. 1958. *The psychology of interpersonal relations*. New York: Wiley.
- Holmes, J. G. 1981. The exchange process in close relationships. In M. J. Lerner & S. C. Lerner (Eds.), *The justice motive in social behavior*: 261–284. New York: Plenum Press.
- Homans, G. C. 1961. *Social behavior and its elementary forms*. New York: Harcourt, Brace and World.
- Johnson, D. E., Erez, A., Kiker, D. S., & Motowidlo, S. J. 2002. Liking and attributions of motives as mediators of the relationships between individuals' reputations, helpful behaviors, and raters' reward decisions. *Journal of Applied Psychology*, 87: 808–815.
- Johnson, R. E. 1980. Memory-based rehearsal. In G. H. Bower (Ed.), *The psychology of learning and motivation*: 263–307. New York: Academic Press.
- Jonides, J., Lewis, R. L., Nee, D. E., Lustig, C. A., Berman, M. G., & Moore, K. S. 2008. The mind and brain of short-term memory. *Annual Review of Psychology*, 59: 193–224.
- Kensinger, E. A., & Corkin, S. 2003. Effect of negative emotional content on working memory and long-term memory. *Emotion*, 3: 378–393.
- Kim, P. H., Dirks, K. T., & Cooper, C. D. 2009. The repair of trust: A dynamic bilateral perspective and multilevel conceptualization. *Academy of Management Review*, 34: 401–422.
- Lam, K. C. H., & Buehler, R. 2009. Trips down memory lane: Recall direction affects the subjective distance of past events. *Personality and Social Psychology Bulletin*, 35: 230–242.
- Lawler, E. J. 2001. An affect theory of social exchange. *American Journal of Sociology*, 107: 321–352.
- Lawler, E. J., & Yoon, J. 1993. Power and the emergence of commitment behavior in negotiated exchange. *American Sociological Review*, 58: 465–481.
- Lawler, E. J., & Yoon, J. 1996. Commitment in exchange relations: Test of a theory of relational cohesion. *American Sociological Review*, 61: 89–108.
- Lawler, E. J., & Yoon, J. 1998. Network structure and emotion in exchange relations. *American Sociological Review*, 63: 871–894.
- Leary, M. R. 2000. Affect, cognition and the social emotions. In J. P. Forgas (Ed.), *Feeling and thinking*: 331–356. Cambridge: Cambridge University Press.
- Leary, M. R., Springer, C., Negel, L., Ansell, E., & Evans, K. 1998. The causes, phenomenology, and consequences of hurt feelings. *Journal of Personality and Social Psychology*, 74: 1225–1237.
- LeDoux, J. 1996. *Emotional brain*. New York: Simon and Schuster.
- Lewicki, R. J., & Bunker, B. B. 1996. Developing and maintaining trust in work relationships. In R. M. Kramer & T. R. Tyler (Eds.), *Trust in organizations: Frontiers of theory and research*: 114–139. Thousand Oaks, CA: Sage.
- Liao, H. 2007. Do it right this time: The role of employee service recovery performance in customer-perceived justice and customer loyalty after service failures. *Journal of Applied Psychology*, 92: 475–489.
- Lind, E. A. 2001. Fairness heuristic theory: Justice judgments as pivotal cognitions in organizational relations. In J. Greenberg & R. Cropanzano (Eds.), *Advances in organizational justice*: 56–88. Stanford, CA: Stanford University Press.
- Lind, E. A., Greenberg, J., Scott, K. S., & Welchans, T. D. 2000. The winding road from employee to complainant: Situational and psychological determinants of wrongful-termination claims. *Administrative Science Quarterly*, 45: 557–590.
- Lind, E. A., Kray, L., & Thompson, L. 2001. Primacy effects in justice judgments: Testing predictions from fairness heuristic theory. *Organizational Behavior and Human Decision Processes*, 85: 189–210.
- Lind, E. A., & Tyler, E. A. 1988. *The social psychology of procedural justice*. New York: Plenum Press.
- Louis, M. R. 1980. Surprise and sense making: What newcomers experience in entering unfamiliar organizational settings. *Administrative Science Quarterly*, 25: 226–251.
- Mano, H. 1992. Judgments under distress: Assessing the role of unpleasantness and arousal in judgment formation. *Organizational Behavior and Human Decision Processes*, 52: 216–245.
- Maxham, J. G., III, & Netemeyer, R. G. 2002. A longitudinal study of complaining customers' evaluations of multiple service failures and recovery efforts. *Journal of Marketing*, 66: 57–71.
- Mayer, R. C., Davis, J. H., & Schoorman, F. D. 1995. An integrative model of organizational trust. *Academy of Management Review*, 20: 709–734.
- McCullough, M. E., Kilpatrick, S. D., Emmons, R. A., & Larson, D. B. 2001. Is gratitude a moral affect? *Psychological Bulletin*, 127: 249–266.

- Meeker, B. F. 1971. Decisions and exchange. *American Sociological Review*, 36: 485-495.
- Meglino, B. F., & Korsgaard, M. A. 2004. Considering rational self-interest as a disposition: Organizational implications of other orientation. *Journal of Applied Psychology*, 89: 946-959.
- Moffitt, K. H., & Singer, J. A. 1994. Continuity in the life story: Self-defining memories, affect, and approach/avoidance personal strivings. *Journal of Personality*, 62: 21-43.
- Molm, L. D. 2003. Theoretical comparisons of forms of exchange. *Sociological Theory*, 21: 1-17.
- Molm, L. D., Takahashi, N., & Peterson, G. 2000. Risk and trust in social exchange: An experimental test of a classical proposition. *American Journal of Sociology*, 105: 1396-1427.
- Morrison, E. W. 1993a. Longitudinal study of the effects of information seeking on newcomer socialization. *Journal of Applied Psychology*, 78: 173-183.
- Morrison, E. W. 1993b. Newcomer information seeking: Exploring types, modes, sources, and outcomes. *Academy of Management Journal*, 36: 557-589.
- Ortony, A., Clore, G. L., & Collins, A. 1988. *The cognitive structure of emotions*. Cambridge: Cambridge University Press.
- Paulhus, D. L., & Lim, D. T. K. 1994. Arousal and evaluative extremity in social judgments: A dynamic complexity model. *European Journal of Social Psychology*, 24: 89-99.
- Pratt, M. G. 2000. The good, the bad, and the ambivalent: Managing identification among Amway distributors. *Administrative Science Quarterly*, 45: 456-493.
- Raja, U., Johns, G., & Ntalianis, F. 2004. The impact of personality on psychological contracts. *Academy of Management Journal*, 47: 350-367.
- Regan, D. T., Straus, E., & Fazio, R. 1974. Liking and the attribution process. *Journal of Experimental Social Psychology*, 10: 385-397.
- Rhoades, L., & Eisenberger, R. 2002. Perceived organizational support: A review of the literature. *Journal of Applied Psychology*, 87: 698-714.
- Robinson, S. L. 1996. Trust and breach of the psychological contract. *Administrative Science Quarterly*, 41: 575-599.
- Robinson, S. L., & Bennett, R. J. 1995. A typology of deviant workplace behaviors: A multidimensional scaling study. *Academy of Management Journal*, 38: 555-572.
- Rousseau, D. M. 1995. *Psychological contracts in organizations: Understanding written and unwritten agreements*. Thousand Oaks, CA: Sage.
- Rubin, D. C., & Kozin, M. 1984. Vivid memories. *Cognition*, 16: 81-95.
- Rusbult, C. E. 1983. A longitudinal test of the investment model: The development (and deterioration) of satisfaction and commitment in heterosexual involvements. *Journal of Personality and Social Psychology*, 45: 101-117.
- Safran, J. D. 1990. Toward a refinement of cognitive therapy in light of interpersonal theory. 1: Theory. *Clinical Psychology Review*, 10: 87-105.
- Saks, A. M. 1995. Longitudinal field investigation of the moderating and mediating effects of self-efficacy on the relationship between training and newcomer adjustment. *Journal of Applied Psychology*, 80: 211-225.
- Saks, A. M., & Ashforth, B. E. 1997. Organizational socialization: Making sense of the past and present as a prologue for the future. *Journal of Vocational Behavior*, 51: 234-279.
- Schank, R. C., & Abelson, R. P. 1977. *Scripts, plans, goals, and understanding*. Hillsdale, NJ: Lawrence Erlbaum Associates.
- Schwarz, N., Bless, H., Strack, F., Klumpp, G., Rittenauer-Schatka, H., & Simons, A. 1991. Ease of retrieval as information: Another look at the availability heuristic. *Journal of Personality and Social Psychology*, 61: 195-202.
- Schweitzer, M. E., Hershey, J. C., & Bradlow, E. T. 2006. Promises and lies: Restoring violated trust. *Organizational Behavior and Human Decision Processes*, 101: 1-19.
- Shum, M. S. 1998. The role of temporal landmarks in autobiographical memory processes. *Psychological Bulletin*, 124: 423-442.
- Sluss, D. M., & Ashforth, B. E. 2007. Relational identity and identification: Defining ourselves through our work relationships. *Academy of Management Review*, 32: 9-32.
- Sparrowe, R. T., & Liden, R. C. 1997. Process and structure in leader-member exchange. *Academy of Management Review*, 22: 522-552.
- Tomlinson, E. C., & Mayer, R. C. 2009. The role of causal attribution dimensions in trust repair. *Academy of Management Review*, 34: 85-104.
- Turnley, W. H., & Feldman, D. C. 1999. A discrepancy model of psychological contract violations. *Human Resource Management Review*, 9: 367-386.
- Tversky, A., & Kahneman, D. 1974. Judgment under uncertainty: Heuristics and biases. *Science*, 185: 1124-1131.
- van den Bos, K., Vermunt, R., & Wilke, H. A. M. 1997. Procedural and distributive justice: What is fair depends more on what comes first than on what comes next. *Journal of Personality and Social Psychology*, 72: 95-104.
- Vangelisti, A. L. 1994. Messages that hurt. In W. R. Cupach & B. H. Spitzberg (Eds.), *The dark side of interpersonal communication*: 53-82. Hillsdale, NJ: Lawrence Erlbaum Associates.
- Van Maanen, J. 1976. Breaking in: Socialization to work. In R. Dubin (Ed.), *Handbook of work, organization and society*: 67-130. Chicago: Rand McNally.
- Weiner, B. 1985. An attributional theory of achievement motivation and emotion. *Psychological Review*, 92: 548-573.
- Wheeler, M. A., Stuss, D. T., & Tulving, E. 1997. Toward a theory of episodic memory: The frontal lobes and auto-noetic consciousness. *Psychological Bulletin*, 121: 331-354.

Wilson, A. E., & Ross, M. 2001. From chump to champ: People's appraisals of their earlier and current selves. *Journal of Personality and Social Psychology*, 80: 572–584.

Zacks, J. M., Tversky, B., & Iyer, G. 2001. Perceiving, remembering and communicating structure in events. *Journal of Experimental Psychology: General*, 130: 29–58.

Gary A. Ballinger (ballinger@virginia.edu) is an assistant professor at the McIntire School of Commerce, University of Virginia. He earned his Ph.D. from the Krannert Graduate School of Management, Purdue University. His research interests are in leadership and leadership succession and the emotional and cognitive bases of relationship formation.

Kevin W. Rockmann (krockman@gmu.edu) is an assistant professor at the School of Management, George Mason University. He earned his Ph.D. from the University of Illinois at Urbana-Champaign. His research interests are in distributed work, decision making, and psychological attachment at the interpersonal, team, and organizational levels.

Copyright of Academy of Management Review is the property of Academy of Management and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.