

## FALLING FROM GREAT (AND NOT-SO-GREAT) HEIGHTS: HOW INITIAL STATUS POSITION INFLUENCES PERFORMANCE AFTER STATUS LOSS

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**We investigate how initial status position influences the quality of task performance in the aftermath of status loss. We argue that despite the benefits of having status, high-status individuals experience more “self-threat”—challenges or contradictions to a central view of the self—and, consequently, have more difficulty performing well after status loss than do low-status individuals who experience a comparable loss of status. In a field study of professional baseball players (Study 1), we found that although low-status players’ performance quality was unaffected by status loss, the quality of high-status players’ performance declined significantly after losing status. In a high-involvement group experiment (Study 2), we found that high-status individuals who lost status were less proficient than both high-status individuals who did not lose status and low-status individuals who lost a comparable amount of status. However, supporting self-threat as the proposed psychological process, self-affirmation restored the quality of high-status individuals’ performance (Study 3). We discuss the practical and theoretical implications of these findings.**

Status comes with many advantages. People who occupy higher-status positions receive more social support, are in better health, have prominent affiliations, and get better opportunities (Adler, Epel, Castellazzo, & Ickovics, 2000; Podolny & Phillips, 1996; Van Der Vejt, Bunderson, & Oosterhof, 2006) than those in lower-status positions. Consequently, individuals strive for status (Barkow, 1989; Buss, 2008). The “American dream” provides a vivid ideal of status striving: individuals at the bottom of the social ladder move up the rungs, through hard work and determination, and become respected and admired by others. Social life shows us, however, that people not only earn the respect and admiration of others; they can also lose them. People experience status loss when they lose respect in

the eyes of their group members. In organizations, this occurs most explicitly when individuals are demoted or moved to a less prestigious position. Other examples of status loss in organizations include a manager being denied an anticipated promotion or salary increase, a journalist receiving less prestigious assignments, and a consultant being put “on the beach” (not assigned to a specific project for a long period). Status loss is not restricted to those struggling at the bottom of a hierarchy. People at the top (e.g., a highly ranked fund manager, a star analyst, or an award-winning director) can also experience status loss. Despite all the benefits of having status, we question whether losing status might be particularly challenging for high-status individuals. Understanding how high- and low-status individuals react to status loss is important, because their reactions could have negative psychological and performance consequences.

A large body of research has investigated the positive consequences of attaining status (Barkow, 1989; Berger, Rosenholtz, & Zelditch, 1980; Podolny & Phillips, 1996; Singh-Manoux, Adler, & Marmot, 2003; Van der Vejt et al., 2006; Weber, 1946). More recently, research has started to examine how people react to the *possibility* that they might lose status in

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the future (Bothner, Jeong-han, & Stuart, 2007; Pettit, Yong, & Spataro, 2010; Scheepers & Ellemers, 2005; Scheepers, Ellemers, & Sintemaartensdijk, 2009). Surprisingly, we know little about how people behave after status loss has actually occurred, although status loss seems to be a common experience in organizations (Foa, 1971; Goffman, 1969; Hollander, 1958; Owens & Sutton, 1999). Given that individuals have an overwhelming desire to gain status and they receive significant advantages when they have it, how do they react when they lose it?

In this article, we provide an answer to this question by investigating how people's initial position in a status hierarchy influences the quality of their task performance (i.e., the extent to which they complete assigned responsibilities proficiently and accurately [Grant & Hofmann, 2011; Griffin, Neal, & Parker, 2007]) after status loss. We argue that, even when the amount of status lost is objectively the same in different cases, people's subsequent ability to effectively deal with work demands depends on their initial status position. We draw on the psychology of the self (for reviews, see Alicke and Sedikides [2011], Sherman and Hartson [2011], and Steele [1988]) to explain how initial status position influences performance differences in the aftermath of status loss. The traditional model of status is one in which more status is generally associated with superior performance (Lovaglia, Lucas, Houser, Thye, & Markovsky, 1998) and better life outcomes (Merton, 1968). Challenging this view, we make the novel theoretical prediction that despite still having greater absolute levels of status, high-status people will experience more *self-threat* (challenges or contradictions to a central view of the self) than low-status people after status loss, and as a result, the quality of their performance will decline more steeply in the aftermath of status loss.

Our interest in performance after status loss is inspired by the fact that work demands do not stop after status loss occurs. People are always in the middle of projects (e.g., tasks, activities [Weick, 1995]), and they must continue working on them even immediately after status loss. For example, a football team captain, replaced by someone who might be perceived as a young upstart, must continue performing well to stay on the team. Similarly, a junior attorney taken off a prestigious case is expected to execute other tasks proficiently, including editing briefs, preparing for court, and meeting with clients.

If people's reactions to status loss impair the quality of their performance, a vicious cycle may ensue, in which their status is reduced further and their chance of regaining status in the future is diminished. Take the example of the junior attorney taken off the prestigious case. If status loss interferes with her ability to proficiently execute her other responsibilities, this reduced proficiency is likely to impact the amount of respect she receives from her colleagues in her firm. Moreover, for some professionals (e.g., surgeons, police officers), even brief lapses in performance quality could have disastrous consequences (e.g., medical errors, accidental shootings). Therefore, it is important to know how losing status affects performance and whose performance is most likely to deteriorate after status loss.

## THEORETICAL BACKGROUND AND HYPOTHESES

A key feature of social life is that the groups to which people belong are structured into status hierarchies. A status hierarchy is a rank ordering of prestige (Benoit-Smullyan, 1944; Henrich & Gil-White, 2001), and a person's position in the hierarchy in a group is determined by the respect and deference received from others in the group (Berger, Cohen, & Zelditch, 1972; Weber, 1946). People high in status are respected, admired, and highly regarded by others (Anderson, Srivastava, Beer, Spataro, & Chatman, 2006) because they are perceived to contribute disproportionately to the group's goals, and consequently they receive privileges (e.g., help and support, influence, praise [Berger et al., 1980; Hollander, 1958; Homans, 1958; Van der Veegt et al., 2006]). Those low in status enjoy few of these privileges and face being marginalized and subordinated (Jost & Banaji, 1994; Sidanius & Pratto, 1993).

Although status differences have been of interest to sociological and psychological scholars for over half a century, the majority of status research has focused on the antecedents and positive consequences of having status (Berger et al., 1972; Podolny & Phillips, 1996; Singh-Manoux et al., 2003; Weber, 1946), on winning status (Anderson, John, Keltner, & Kring, 2001; Anderson & Kilduff, 2009; Barkow, 1989; Flynn, Reagans, Amanatullah, & Ames, 2006), or on the negative consequences of not having status (Jost, Banaji, & Nosek, 2004; Sidanius, Pratto, van Laar, & Levin, 2004). Past research on the benefits of gaining and having status

neglects the fact that people also lose status, so researchers do not know much about how people deal with status loss.

Status loss is likely to be a threatening experience for people to overcome (Pettit et al., 2010; Scheepers et al., 2009; Scheepers & Ellemers, 2005), and stressful or threatening experiences can negatively impact performance quality. Klein and Barnes (1994) found that people who experienced more life stress had more difficulty successfully solving complex analogies. In another study, Schmeichel, Vohs, and Baumeister (2003) found that attempting to suppress emotional responses to watching an upsetting video (a difficult and stressful experience) increased the frequency of incorrect and inappropriate responses on an intelligence test. Yet it is likely that not every member of a status hierarchy finds status loss equally threatening and has trouble performing as a result. Indeed, past research suggests considerable individual variation in people's resilience in their reactions to negative life events (Hobfoll, 1989). Thus, we question whether high- or low-status individuals have more difficulty executing tasks proficiently in the aftermath of status loss.

### **Predicting Performance Quality after Status Loss for High- and Low-Status Individuals**

We already mentioned that theories on the consequences of status have traditionally emphasized the many advantages that come with high status (e.g., Berger et al., 1980; Homans, 1958). Specifically, this perspective emphasizes the tangible (e.g., financial capital) and intangible (e.g., confidence) resources that high-status individuals have (Bothner, Kim, & Smith, 2012), how these resources help them perform well (Lovaglia et al., 1998), and how they help them to cope better with stress and negative life outcomes compared to low-status individuals (Hobfoll, 1989; Kessler, 1979; Lazarus & Folkman, 1984; McLeod & Kessler, 1990).

For example, past research has suggested that high-status individuals with intangible resources (e.g., confidence [Frank, 1985]) often have greater self-efficacy than low-status individuals (Gecas & Seff, 1989), which thus increases high-status individuals' motivation and performance (Felson, 1984; Stajkovic & Luthans, 1998). In accordance with this perspective, people who were assigned to a higher hierarchical position in an experiment performed challenging work tasks better than people who were assigned a lower hierarchical position

(DeWall, Baumeister, Mead, & Vohs, 2011). Another lab study showed that status led to superior performance in responding to standardized intelligence test questions (Lovaglia et al., 1998).

Possession of psychosocial resources has also been used to explain why high-status individuals are more capable of dealing with stressful life experiences. Gallo, Espinosa de los Monteros, and Shivpuri (2009) suggested that high-status individuals have more psychosocial resources (e.g., control beliefs), and these resources enable them to be more resilient when facing adversity. Having more rather than fewer resources increases people's resilience by enabling them to "buy" more coping options to deal with threatening life experiences (Lazarus & Folkman, 1984). Even intangible status resources can be accumulated, and the surplus of resources can be used to offset future resource losses (Hobfoll, 1988, 1989). Because someone higher in a hierarchy will always have more status resources than someone lower in the hierarchy, the traditional perspective on status leads to the prediction that high-status individuals are in a better position to deal with status loss and perform well afterward than low-status individuals.

Previous research on the possibility of losing status in the future has provided additional support for this resource-based prediction. In these studies, the possibility of loss of status in the future triggers physiological arousal (Scheepers et al., 2009; Scheepers & Ellemers, 2005) and prompts people to expend more effort to avoid this loss than they would expend to achieve a status gain (Pettit et al., 2010). These findings demonstrate that when individuals feel threatened, they are typically motivated to increase their allocations of time, effort, money, and resources to their task in an attempt to reduce their feelings of threat (see Brockner et al. [1986] and Staw and Fox [1977] for similar arguments made in the escalation of commitment literature). The findings suggest that after status loss (a threatening experience), people will be motivated to deploy their resources to reduce feelings of threat. Thus, high-status individuals—who have more resources than low-status individuals on which to draw—should be in a better position to invest their resources and bolster their performance after status loss than low-status individuals.

The theoretical model we tested via the studies presented in this article, however, leads to a different prediction than would one based on past perspectives on status. We contend that past models emphasizing the resourcefulness of high-status in-

dividuals have neglected the role of the self in status processes. This is problematic, because people's assessments of their status have an important influence on how they define themselves (Tajfel & Turner, 1986; Tyler & Lind, 1992). Accounting for the self in the context of status loss provides the foundation for the novel prediction that compared to low-status individuals, high-status individuals will have more difficulty performing well in the aftermath of status loss. We explain this prediction further below.

### Status Loss and Self-Threat

We assume that those who have more status define their superior position as a relatively more central, or important, component of their self than low-status individuals, because people strive to maintain and to enhance positive self-views (Brockner, 1988; Sedikides, 1993; Sedikides & Strube, 1997). People can enhance their self-view in many ways, including maximizing the importance of domains in which they are successful (i.e., those from which they receive respect and admiration [Sedikides & Strube, 1997]). Specifically, when defining which aspects of their life are central to who they are, people make use of aspects that enhance their self-view (e.g., occupying a high-status position) and minimize the psychological importance of aspects that negatively impact their self-view (e.g., occupying a low-status position). For example, to self-enhance, a star tennis player should view tennis ability as critically important, but a poor tennis player should minimize the importance of tennis ability to the self.

Results from past studies are consistent with the argument that people base their determination of the self-importance of a particular life domain on their success in that domain (Hill, Smith, & Lewicki, 1989; Lewicki, 1984; Tesser & Paulhus, 1983). For example, Hill and colleagues (1989) found that those who received the highest grades in a computer class came to assign greater weight to the importance of computer skills relative to other skills. Similarly, the intergroup relationships literature shows that people identify more strongly with high-status groups than with low-status ones (Ellemers, Doosje, van Knippenberg, & Wilke, 1992; Ellemers, Kortekaas, & Ouwerkerk, 1999) and incorporate their higher-status memberships into their self-concept more than their lower-status memberships (Tajfel & Turner, 1986). Finally, high-status group members are more concerned than

low-status group members with maintaining their status in a group (Blader & Chen, 2011). Together, these findings suggest that those who have high status in a hierarchy view their position as a more important (or central) component of their self than do low-status individuals.

Making their prestigious position a central part of their self bolsters high-status individuals' self-worth; however, this also means that they come to depend more (than low-status individuals) on their status to maintain their positive self-view. When a central view of the self is challenged, contradicted, or otherwise put in jeopardy, people experience self-threat (Baumeister, Smart, & Boden, 1996; Campbell & Sedikides, 1999). Consequently, losing status is likely to be more self-threatening for high- than low-status individuals.

### Status, Self-Threat, and Performance after Status Loss

We suggest that because of the self-threat they experience after losing status, high-status individuals—who are typically better performers than low-status individuals (Lovaglia et al., 1998)—experience a more significant decline in the quality of their performance in the immediate aftermath of status loss. This is because experiencing self-threat can interrupt the information processing necessary to execute subsequent tasks proficiently and accurately and, thus, impair performance quality.

Several areas of research support the predicted relationship between self-threat and reduced performance quality, including studies on negative feedback, self-defeating behaviors, and contingencies of self-worth. For example, research on feedback has shown that negative feedback adversely affects subsequent performance quality on a variety of tasks, particularly complex, novel, or rule-based tasks (Kluger & DeNisi, 1996). Feedback reduced performance by stimulating distracting off-task thoughts (Kanfer & Ackerman, 1989) and increasing attention to self (rather than task), which interfered with the proficiency of task execution (Kluger & DeNisi, 1996).

In accordance with these findings, the literature on “choking under pressure” also suggests that self-threatening experiences can interfere with performance quality. This research highlights how some situations that increase performance pressure (e.g., audience presence, ego relevance) can impair performance by increasing self-awareness. Because self-awareness focuses attention on the self, it can

direct attention away from tasks, distracting even highly skilled and motivated individuals and keeping them from performing to the best of their abilities (Baumeister, 1984; Baumeister & Showers, 1986; Wallace, Baumeister, & Vohs, 2005). Finally, research on contingencies of self-worth (Crocker & Park, 2004) has suggested that failure in domains in which the self is implicated triggers self-threat, which promotes cognitive processes that are meant to protect against the threat, such as mentally resisting and challenging it (Baumeister, 1998). These cognitive processes can help people restore their positive self-views. However, they also distract people from proficiently executing subsequent tasks.

We suggest that the distraction and reduced attention triggered by self-threat after status loss reduce the quality of people's performance by increasing their propensity to make errors (cf. Seibt & Förster, 2004). As an example, imagine a star baseball player who finds himself distracted with self-threatening thoughts (e.g., Am I not good enough?); consequently, when he comes up to bat, he is unable to devote sufficient attention to the speed and location of pitches and is thus more likely to strike out. In this case, self-threat redirects the player's attention away from the task at hand, causing him to make an error that reduces his on-base percentage (i.e., performance quality).

In sum, the studies we review and the theoretical arguments we present here imply that compared to low-status individuals, high-status individuals' performance will be more strongly affected by status loss. Therefore, we predict:

*Hypothesis 1. The negative effect of status loss on performance quality for high-status individuals is stronger than it is for low-status individuals.*

The rationale behind Hypothesis 1 is that high-status individuals will experience more self-threat as a result of status loss. Self-threat is difficult to measure accurately, however (Scheepers et al., 2009; Scheepers & Ellemers, 2005). For example, Scheepers and colleagues (2009) found that, unlike low-status individuals, when high-status individuals were threatened, they did not report experiencing threat, even though physiological measures revealed that they were, in fact, experiencing a threat response. We therefore focus our second prediction on self-affirmation (Kumashiro & Sedikides, 2005; Leary, Tambor, Terdal, & Downs, 1995; Sherman & Cohen, 2006) to assess our theory's self-threat prediction indirectly.

Self-affirmation theory suggests that when people experience self-threat, they are motivated to engage in self-protection (Crocker & Park, 2004; Sedikides, 2012), and they can do this directly—for instance, by constructing justifications or placing blame—or indirectly, by affirming their sense of self in a domain unrelated to the source of self-threat (Sherman & Cohen, 2006; Sherman & Hartson, 2011; Steele, 1988). Self-affirmation includes actions such as reflecting on important aspects of life irrelevant to the threat and engaging with family and friends. Thus, if self-threat causes poor performance, we should find that having the opportunity to self-affirm (which protects against threats to the self [Steele, 1988]) should improve the quality of high-status individuals' task performance (compared to their performance when they do not have the opportunity to self-affirm), but it should not significantly affect the quality of low-status individuals' performance. We thus predict:

*Hypothesis 2. Self-affirmation moderates the effect of initial status position on performance quality after status loss: high- (but not low-) status individuals perform better when they are given an opportunity for self-affirmation.*

## OVERVIEW OF STUDIES

We conducted one field study (Study 1) and two laboratory studies (Studies 2 and 3) to investigate how people's initial position in a status hierarchy influences their task performance after status loss. We started by examining a real-world occurrence of status loss and conducted a field study of professional baseball players who went through final-offer salary arbitration between 1974 and 2011. We investigated whether status loss would negatively affect the quality of postarbitration performance more strongly for high- than for low-status players (Hypothesis 1). The purpose of Study 2 was to constructively replicate Study 1 in a high-involvement group experiment and thus draw causal inferences in a controlled environment. We examined how people's initial status position influenced the quality of their performance on a word search task after losing versus maintaining status in their group (Hypothesis 1). Finally, in Study 3, we extended the findings of the previous studies by examining self-threat as the proposed psychological process via a moderation-of-process design (Spencer, Zanna, & Fong, 2005). We investigated whether the opportunity to self-affirm (manipulating self-threat

indirectly; see Steele [1988]) would improve the quality of high-status individuals' task performance (Hypothesis 2).

### STUDY 1

Study 1 was a first test of our theory, and it investigated how initial status position influences performance after status loss among high- and low-status professional baseball players. In order to provide a fair test of our theory in the field, a site needed to meet four conditions: (1) the existence of measurable status differences in the population of the site; (2) sufficient measurable instances of status loss in the population, occurring among both high- and low-status individuals; (3) observability and measurability of performance after status loss; and (4) comparability of the performance of high- and low-status organizational members. Accordingly, we examined Major League Baseball players who went through final-offer arbitration and determined how losing arbitration—an instance of status loss—affected the postarbitration performance of players differently depending on their prearbitration status. Because performance in professional baseball requires considerable focus and concentration (Krautmann & Solow, 2009), players whose attention is distracted by the experience of self-threat are more likely to make critical errors that reduce the quality of their performance.

#### Context

Major League Baseball provides a strategic research site (Merton, 1987) that allows us to study status, status loss, and its behavioral consequences in a professional setting. Final-offer arbitrations in Major League Baseball are used as a last resort to settle salary disputes and provide clear and objective status-loss events. The final-offer structure of arbitration requires a player and a club to submit a salary figure to an arbitrator, who must then award the player either the player's request or the club's offer, creating a clear win/loss event for the player. Because the arbitrator cannot make any compromise between the two offers, both parties have strong incentive to submit proposals that accurately represent the player's contribution relative to other players on the team. Although many players negotiate their salaries each year, most of these negotiations are settled before the arbitration deadline, because arbitrations are inherently adversarial and can damage the relationship between player

and club (Ham & Malach, 2010). When a player goes to arbitration, clubs are forced to defend their proposal by "insulting a player and presenting arguments that harp on a player's physical or mental defects, or demeaning his past contributions to the club, playing record, or public appearance" (Meth, 1999: 390). Amplifying this effect, arbitration results are widely published on a number of websites (e.g., "Biz of Baseball") and discussed in the sports media. Thus, if a player loses an arbitration, this public defeat signals that the player's contribution is worth less to the team than he estimated. Losing arbitration constitutes a status loss.

It is also relevant to note that the final-offer arbitration process in Major League Baseball has been characterized as unpredictable (Ham & Malach, 2010). Final-offer arbitration guidelines suggest that arbitration decisions be based on a number of factors, including the quality of a player's contribution to his club during the past season, the length and consistency of his career contribution, his past compensation, comparative baseball salaries, his physical or mental defects, if any, and the recent performance record of his club. However, arbitrators do not have set guidelines on how to weight these criteria; they have only 24 hours to review significant amounts of materials submitted by the player and club, and they do not provide any written explanation for their decision. As a result, it is not possible to know which criteria arbitrators used to make their decision, making it difficult for players and clubs to use historical cases as precedents for predicting the outcomes of current arbitrations (Ham & Malach, 2010). For the purposes of the current research, the unpredictability of arbitration outcomes makes Major League Baseball a fitting research site, as it suggests that the assignment of status loss (versus no status loss) is not confounded by player status.

Second, the extensive collection of player performance statistics in Major League Baseball allows us to test the effect of status loss on players' actual behaviors. Accordingly, we were able to select objective, behavioral indicators of task performance after status loss. Additionally, the availability of player and team statistics allowed us to include controls for a variety of factors that might influence status loss or performance in other field settings (e.g., team performance, financial consequence of status loss, players' performance prior to status loss).

## Sample

We collected data on baseball arbitrations from 1974 (the first year that final-offer arbitrations took place in Major League Baseball) to 2011, including player names, year of arbitration, player-requested salary, club-offered salary, and arbitration result (i.e., player won or lost). The number of arbitrations each year ranged from 1 to 17 (mean = 5.69, s.d. = 3.68). Following previous research (Howard & Miller, 1993), we excluded pitchers because their performance criteria are different from those for other positions. We also excluded players who went through final arbitration more than once, as they might experience cumulative or learning effects. Thus, our sample included all nonpitchers who went through arbitration once between 1974 and 2011 ( $n = 199$ ).

Next, for players who went through arbitration between 1974 and 2011, we collected data on their status prior to arbitration, their performance during the season following their arbitration (baseball arbitrations happen in February, just before the start of the April–September season of the same year), their team’s performance in the seasons before and after their arbitration, their performance in each of the two years prior to the arbitration, their age at the time of arbitration, their injuries in the season following arbitration, and their tenure on their current versus previous team(s). We had complete data on 186 players.

## Measures

**Initial prearbitration status position.** We conceptualized status as a continuous variable and, following previous research (Christie & Barling, 2010), we created a composite measure of players’ *prearbitration status*, including the number of All-Star Games for which a player was selected in seasons prior to the arbitration year and the number of times the player received a major award. These indicators are described below.

**All-Star Game selections.** The All-Star Game is an annual baseball game whose players are selected by a combination of fan voting, player nominations, and coach and manager appointments. Consequently, the most respected and admired players will be chosen for the All-Star games more often. We counted the number of times a player was selected for an All-Star game as an indicator of his status.

**Major awards.** A number of major awards are bestowed by coaches, managers, and third parties (e.g., Baseball Writers Association of America) on top players annually. Accordingly, we included the number of times a player had received each of four annual awards as an indicator of the player’s status on his team: the Silver Slugger (to the best offensive player in each position in both leagues), the Gold Glove (to players judged to have exhibited superior individual performance in each fielding position in both leagues), the Rookie of the Year (to one player from each league), and the Most Valuable Player Award (MVP; to one outstanding player in each league).

We constructed the status composite by first summing the components of each indicator (e.g., summing total All-Star Game selections), then standardizing each indicator (e.g., standardizing total All-Star Game selections), and finally, aggregating the standardized indicators (e.g., summing standardized All-Star Game selections and standardized total number of awards). The resulting measure of a player’s initial status position had good reliability ( $\alpha = .72$ ), and the bivariate correlation between the two indicators was positive and significant ( $r = .56, p = .001$ ).

**Status loss.** The results of the arbitration hearings were coded as either a win for a player (dummy variable coded 0, “no status loss”) or a loss for the player (1, “status loss”).

**Postarbitration performance quality.** We selected two performance metrics—on-base percentage and slugging percentage (Thorn, Palmer, & Reuther, 1984)—routinely used in both academic research and sports reporting as indicators of players’ performance quality (Clark, Ellis, Bench, Khoury, & Graman, 2012; Shaikin, 2002) to assess the quality of players’ postarbitration performance.

A player’s *on-base percentage* (OBP) is an indicator of how often he reaches a base. It is calculated by determining the total number of times the player reaches a base, regardless of how he gets there (summing hits, walks, and hit by pitches), and dividing by the number of times he appears at bat. Players with higher on-base percentages avoid striking out and consistently get themselves to bases, thus increasing the quality of their batting performance.

A player’s *slugging percentage* is an indicator of how many bases he typically attains per at bat. It is calculated by summing a player’s singles (coded 1), doubles (2), triples (3), and home runs (4), and dividing by the number of at bats. Be-

cause a higher-quality hit results in a player running more bases, higher slugging percentages indicate superior performance.

These two measures (on-base percentage and slugging percentage) were standardized and summed to create a reliable composite measure of performance quality ( $\alpha = .90$ ).

**Controls.** We included various control variables in our analyses that could potentially account for higher- or lower-quality performance. We controlled for (a) player performance in each of the two years prior to arbitration (both linear and quadratic effects, as performance declines over time could be linear or curvilinear); (b) two indicators of team performance, in the year prior to arbitration and the year of arbitration—arbitrating player's team's win-loss ratio and whether it played in post-season (1 = "played in postseason," 0 = "did not play in postseason")—as team performance might influence an arbitration outcome and is likely to influence player performance; (c) year of arbitration, because on-base and slugging percentages have generally increased over time; (d) player age at the time of arbitration, as older players may experience physical deterioration or reduced motivation; (e) the number of days that the arbitrating player spent on the disabled list in the season following arbitration, as injuries influence performance; (f) the number of games the player spent on the team with which he went into arbitration versus the total number of games he had played in the major leagues, to account for differences in commitment resulting from spending longer on a team; and (g) the financial opportunity cost of any status loss, calculated as the difference between the amount a player requested (and may have expected) and the amount he was awarded, as it is possible that if a player received much less than requested (and expected), he could experience real financial consequences (e.g., being unable to pay off credit purchases already made) that could in turn influence his performance in the season following arbitration.

## Results

Table 1 displays the means, standard deviations, and correlations of the variables included in Study 1. It is relevant to note that initial status position in this sample was not significantly correlated with either status loss ( $r = -.01, p = .93$ ) or the financial opportunity cost of status loss ( $r = .10, p = .15$ ). This means that high-status players were not more

likely to lose status than low-status players were, and the opportunity cost of the status loss for higher-status players was not significantly more than the cost to lower-status players. Not surprisingly, performance was negatively related to status loss the year before arbitration ( $r = -.14, p = .05$ ), and in keeping with a functional perspective on status wherein more status is awarded to the most competent members (cf. Berger et al., 1972), initial status position was positively related to differences in performance in each of the two years prior to arbitration ( $r = .27, p = .001; r = .25, p = .001$ ).

In this sample, players are nested in teams, and we found significant within-team (Wald  $Z = 9.16, CI_{95} = 2.64, 4.05$ ) and between-team (Wald  $Z = 1.55, CI_{95} = 0.10, 1.22$ ) variance in performance quality.

We estimated a series of multilevel regression models (Snijders & Bosker, 1999) using the "xtmixed" option in Stata 12 (Hamilton, 2013) to account for the potential nonindependence of our observations (i.e., players were nested within teams).<sup>1</sup> The models included a random intercept and three sets of fixed-effects predictor variables: (a) the control variables (year of arbitration, players' ages, players' injuries in the year of arbitration, team performance in season prior to and following arbitration, players' tenure on current team vs. other teams, financial opportunity cost of status loss, player's performance in each of two years prior to arbitration); (b) players' initial status position and status loss; and (c) the interaction term. All independent variables were grand-mean-centered for interpretational purposes (Hofmann & Gavin, 1998). Table 2 summarizes results.

We first assessed the fit of the model by examining the deviance statistics and found that the full model (deviance = 668.56) was a significantly better fit than the null model (deviance = 791.06;  $\chi^2[16] = 122.50, p < .001$ ) or a model including the controls (deviance = 676.90;  $\chi^2[3] = 8.34, p = .04$ ). Examining the full model, we saw a significant main effect of initial status position on performance quality ( $\gamma[169] = .17, s.e. = .05, p = .001$ ) and a marginally significant negative effect of status loss on performance quality ( $\gamma[169] = -.42, s.e. = .24, p = .08$ ). Further, in accordance with our prediction that initial status position would influ-

<sup>1</sup> We also reanalyzed the data (a) using linear regression clustered on the team level and (b) examining each performance indicator separately. These analyses produced nearly identical results.



TABLE 1  
Descriptive Statistics and Correlations for Study 1<sup>a</sup>

Variables	Mean	s.d.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1. Year	27.43	2.62	.05															
2. Player age	8.54	23.25	.18**	-.02														
3. Player injuries	0.61	0.38	-.01	-.16	.05													
4. Time on team	0.50	0.07	-.02	-.11	.05	.01												
5. Team win-loss ratio, prior year	0.19	0.39	-.02	-.12 <sup>†</sup>	-.05	.06	.59**											
6. Team postseason, prior year	0.19	0.39	-.01	-.14*	-.03	.06	.27**	.15*										
7. Team postseason	181.78	329.75	.41***	.16*	.10	-.06	-.08	-.11	-.09									
8. Financial opportunity cost (1,000s)	0.00	1.83	.23***	-.08	-.08	.06	.04	-.01	.11	.10								
9. Performance, prior two years <sup>b</sup>	0.00	1.78	.13 <sup>†</sup>	-.11	-.04	-.16*	.11	-.01	.02	.05	.40***							
10. Performance, prior year <sup>b</sup>	3.34	11.01	-.10	-.02	-.01	-.14*	-.04	.02	-.02	-.09	-.55***	.09						
11. Performance, prior two years, squared	3.15	4.49	-.04	-.04	.05	-.09	.02	.09	.15*	-.15*	.13 <sup>†</sup>	.09	.05					
12. Performance, prior year, squared	0.58	0.50	-.11	.12 <sup>†</sup>	-.01	-.04	.01	-.02	.03	.47***	-.02	-.14*	.04	-.15*				
13. Status loss	0.00	4.19	.02	.11	-.11	-.30***	.06	-.01	.06	.10	.25***	.27***	.01	.18**	-.01			
14. Initial status position	0.00	1	.17*	-.13 <sup>†</sup>	-.11	.07	.05	.03	.08	.11	.46***	.49***	-.15*	.03	-.11	.30***		
15. Slugging <sup>b</sup>	0.00	1	.07	-.07	-.14 <sup>†</sup>	.04	.05	-.03	.15*	.09	.38***	.49***	-.10	.06	-.07	.21**	.82***	
16. On-base percentage <sup>b</sup>	0.00	1.91	.12 <sup>†</sup>	-.11	-.13 <sup>†</sup>	.06	.05	-.01	.12 <sup>†</sup>	.10	.44***	.52***	-.13 <sup>†</sup>	.05	-.09	.27***	.95***	.95***
17. Performance quality																		

<sup>a</sup>  $n = 186$ .

<sup>b</sup> Standardized.

<sup>†</sup>  $p < .10$

\*  $p < .05$

\*\*  $p < .01$

\*\*\*  $p < .001$

Two-tailed test.

**TABLE 2**  
**Results of Multilevel Analyses, Study 1<sup>a</sup>**

Variables	Performance	
<i>Controls</i>		
Year	-0.01	(0.01)
Player age	-0.05	(0.05)
Player injuries	-0.01	(0.01)
Games on team vs. games in majors	0.71 <sup>†</sup>	(0.37)
Team win-loss ratio, prior year	-0.50	(1.86)
Team postseason, prior year	-0.01	(0.30)
Team win-loss ratio	-1.04	(1.59)
Team postseason	0.60*	(0.27)
Financial opportunity cost, in thousands	0.01*	(0.01)
Performance, prior two years	0.21**	(0.08)
Performance quality	0.44***	(0.07)
Performance, prior two years, squared	0.01	(0.01)
Performance, prior year, squared	-0.04	(0.04)
<i>Main effects</i>		
Status loss	-0.42 <sup>†</sup>	(0.24)
Initial status position	0.17***	(0.05)
<i>Interaction</i>		
Status loss × initial status position	-0.19**	(0.08)

<sup>a</sup>  $n = 186$ . Unstandardized estimates are reported, with robust standard errors in parentheses.

<sup>†</sup>  $p < .10$

\*  $p < .05$

\*\*  $p < .01$

\*\*\*  $p < .001$

Two-tailed test.

ence the performance of players after status loss, we found a significant negative interaction between initial status position and status loss on performance quality ( $\gamma[169] = -.19$ ,  $s.e. = .08$ ,  $p = .01$ ).

We plotted and tested the slopes of the interaction following the procedures set forth by Preacher, Curran, and Bauer (2006). The pattern of the interaction displayed in Figure 1 shows that when players' initial (prearbitration) status position was low (mean  $-1$  s.d.), status loss had no effect on the quality of players' performance ( $b = -0.08$ ,  $s.e. = .30$ ,  $p = .77$ ). However, as predicted in Hypothesis 1, when initial status position was high (mean  $+1$  s.d.), status loss had a significant negative effect on players' performance quality ( $b = -0.76$ ,  $s.e. = .25$ ,  $p = .002$ ). The pattern of this interaction is consistent with our prediction that high-status individuals experience the greatest declines in the quality of their performance after losing status.<sup>2</sup>

<sup>2</sup> Because high-status affiliations and seniority/tenure have been viewed as status indicators in decades of research on status (Berger et al., 1972; Podolny, 2005), we

## Discussion

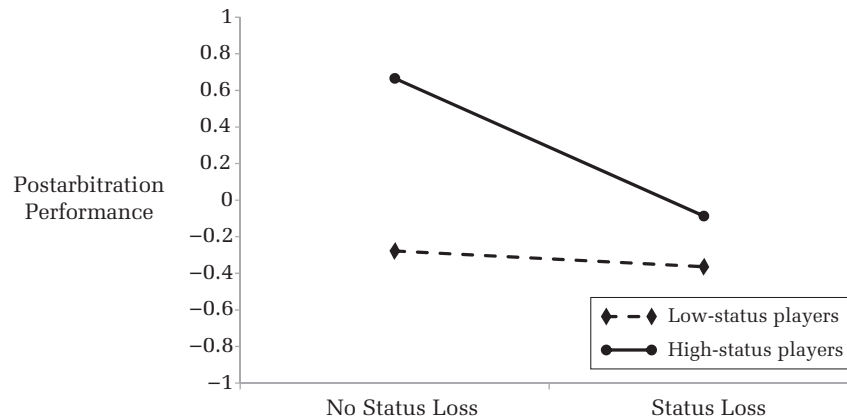
The results of Study 1 show that status loss negatively affects the performance quality of high-status baseball players but not that of low-status players. These findings are important because they suggest that after losing status, players who value their status most (i.e., high-status individuals [Blader & Chen, 2011]) are least likely to perform in ways that might enable them to regain their status in the future. This finding is particularly interesting because our sample was a group of professional athletes whose livelihood and future status depend on their performance on the field, and so they should be particularly motivated to play well to regain their status.

Although Study 1 provides initial support for our prediction that high-status individuals have more difficulty performing well after status loss, this study has several limitations. First, given the nature of the data, it is not possible to determine causality from these results. Although we tried to control for other factors that might otherwise influence performance (e.g., team performance, previous performance, players' age and injuries, financial opportunity cost), it is possible that underlying factors negatively influenced performance after status loss. However, given that the main test of our research question is an interaction between status and status loss, such a factor would have to explain what would cause high- but not low-status individuals to lose status and perform worse. For example, it is possible that arbitrators were more aware of the deficits of high-status players than of low-status players. It is also possible that unobservable factors (e.g., public visibility of high-status players) increased the magnitude of the status loss for high-versus low-status individuals, which in turn might have influenced their performance.

Second, in these data, status loss was negatively correlated with the previous year's performance ( $r = -.14$ ,  $p = .05$ ): players with lower-quality performance in the season prior to arbitration were slightly more likely to lose their arbitration. Although we controlled for the previous year's per-

also collected data on players' appearances in postseason and championship games as well as on their tenure in the Major Leagues prior to arbitration. Including these variables in our composite measure of initial status position produced nearly identical results.

**FIGURE 1**  
**Effect of Status Loss on Performance Quality by Initial Status Position**



formance in our analyses (and this would not explain the interaction effect), it is possible that losing an arbitration influenced performance not because it decreased players' respect in the eyes of their group members, but because it was perceived by players as negative performance feedback. Although performance and status are often closely related, we suggest that feedback about one's status in a group has an effect on behavior that is independent of performance feedback. Because status is a fundamentally social construct and is often based on more than just performance (e.g., likeability, cooperativeness, willingness to help and contribute [Anderson, Ames, & Gosling, 2008; Anderson & Kilduff, 2009; Flynn et al., 2006; Willer, 2009]), status loss can be prompted by events other than negative performance, such as being rude, dishonest, or unwilling to help group members.

Finally, in these data, we created a composite of two performance metrics—on-base percentage and slugging percentage—to measure the quality of task performance. These metrics are commonly used indicators of performance quality in baseball. However, in this context, individual performance positively influences team performance. Consequently, one could argue that high-status players who lose status in the eyes of their team members are trying to get back at their team by playing poorly (e.g., Adams, 1965; Greenberg, 1990). To address this issue, in Study 2, we assessed performance quality on an independent (rather than a team-related) task.

## STUDY 2

Study 1 provided initial support for Hypothesis 1. The purpose of Study 2 was to constructively replicate the finding that the quality of high-status individuals' performance is more negatively affected by status loss than is low-status individuals' performance. We addressed the limitations of Study 1 in several ways.

First, we designed a high-involvement group experiment (Greenberg & Eskew, 1993) in which initial status position and status loss were randomly assigned to control for preexisting factors that might influence both status loss and reduced performance quality in high-status individuals. Second, in Study 1, status loss included both a loss of respect and negative performance feedback. To control for the potential influence of negative performance feedback in Study 2, all participants received identical, false performance feedback (controlled in all conditions), in addition to the manipulated status feedback. Finally, to address the concern that status loss might be affecting high-status people's willingness to help the team, we assessed performance quality on an individual task.

### Participants and Overview of Procedure

Eighty-six participants (45 females, mean age = 26.33, *s.d.* = 8.94) from a university-affiliated participant pool completed a high-involvement, two (initial status position: high vs. low) by two (status loss: status loss vs. no status loss), between-partic-

ipants group experiment. Participants were randomly assigned to a four-person group, which included two confederates. In the three main parts of the experiment, participants: (1) engaged in a “get-to-know-you” discussion and received a status role ostensibly based on their group members’ ratings (initial status position manipulation), (2) completed a face-to-face group decision-making task in their status roles and received feedback both on their performance (controlled in all conditions) and on their status in the group (the status loss manipulation), and (3) worked independently on a word search task (the performance quality measure). The last part also asked participants to complete a short survey with manipulation checks and demographic questions. Upon completion, participants were debriefed, thanked, and compensated.

### Procedure

Participants arrived at the lab and were randomly assigned a colored name tag (red or blue). At the same time, two confederates also arrived and received colored name tags (yellow or green). The four group members were seated in a room together and engaged in the get-to-know-you discussion for five minutes.

**Confederates: Creating a hierarchy.** Unbeknownst to participants, the color of their name tag signaled their status to the confederates (red represented high status, blue, low status). The confederates were professional actors who were instructed to play a particular character and behave toward the other group members in ways that would facilitate the emergence of the predetermined status hierarchy (highest status to lowest status: red, yellow, blue, green) during the discussion. The confederates were blind to the hypothesis of the study and did not know to which status loss condition participants were assigned.

The male confederate’s character (green) was a struggling musician who was often unemployed and worked in a bar. He was trained to be the lowest-status member of the group by appearing somewhat disengaged and generally giving short, monosyllabic answers to direct questions. The female confederate’s character (yellow) was a top biology student at a local university who enjoyed reading and playing the cello. She was trained to be a high-status (but not the highest) group member by listening to others, asking people questions about themselves, and speaking clearly and competently. The confederates were instructed to adjust their

behavior in each group so that the participant who received the red name tag (high status condition) would feel like the most respected member of the group (e.g., the most competent and well liked), and the participant who received the blue name tag (low status condition) would feel like a less-respected member of the group (e.g., less competent, less well liked).

**Respect points and status roles: Status manipulation.** After the five-minute get-to-know-you discussion, participants rated each other to determine roles for the group decision-making task. Participants turned to individual desks facing away from each other and completed their rating form. The rating form asked participants to distribute ten respect points among their group members commensurate with “the amount of respect, admiration, and regard you have for your group members.” They read that they must allocate all ten points and that they could not allocate any to themselves. Participants were reassured that their forms were confidential and only the experimenter would see how they rated each other. The experimenter then collected the rating forms and left the room to “calculate the respect point results and assign the group roles.”

In the meantime, participants familiarized themselves with their roles for the group task. They learned that there were four roles (chairman of the board, director of academics, program manager, or administrator) and their roles would be determined by the number of respect points each member received from the group. Participants read the following role descriptions:

*The most prestigious position is the Chairman of the Board.* The Chairman of the Board is the most respected, admired, and highly regarded member of the group. This role is awarded to the group member whom the group believes contributes the most value to the group. The Chairman of the Board will have the most knowledge and should be listened and deferred to.

*The least prestigious position is the Administrator.* The Administrator is the least respected, admired, and highly regarded member of the group. This role is given to the group member who is believed to contribute little value to the group. The Administrator has little knowledge relevant to the task and should only listen and take notes.

The experimenter returned after five minutes and informed group members of the results: “Red, you received the highest number of respect points, so

you will be given the title of Chairman of the Board, . . . Blue, you received the second lowest number of respect points, so you will be given the title of Program Manager," etc. Each group member received a place card with her/his role title and a package of materials for the group decision-making task. Therefore, participants' status-based role for the task (high status, "chairman of the board," vs. low status, "program manager")—based on the number of respect points they ostensibly received from their group members—constituted the manipulation of initial status position.

**Group decision-making task: Increasing involvement in status roles.** After receiving their status-based roles and task materials, the group had 15 minutes to complete the group decision-making task, "Who will be the Next President of Bewise College?" (adapted from Johnson and Johnson [2009]). The exercise required the group members to discuss which of the candidates described in their materials was best suited for the position of president at Bewise College, and each group member had different amounts and types of information commensurate with his/her status role. Because the sole purpose of this group task was to reinforce each participant's initial status position in the group, the experimenter instructed participants that they need not come to a final decision in the allotted time, but it was important that they have a group discussion, immerse themselves in their role, and try to behave as if they actually were in the position assigned to them in the study.

**Redistributing respect points and rating performance: Constructing feedback.** After 15 minutes, the experimenter came back and told participants they would complete the rest of the group study at a computer. In reality, the remainder of participants' interactions with the group were preprogrammed. Once at the computer, participants completed three tasks. First, they answered several questions about their perceived status in the group (an initial status-position manipulation check). Second, they had the opportunity to redistribute their ten respect points among fellow group members on the basis of their interaction with them during the group task. They viewed their previous distribution on a monitor and were instructed to enter the same or new allocations in the fields below (the points had to total ten; participants were not able to award any points to themselves). Finally, participants rated their group members' performance in the task ("How well do you think each group member performed in the group task?"

[1 = "not at all well," 4 = "somewhat well," 7 = "extremely well"]).

After redistributing their respect points and rating the performance of their group members, participants were redirected for 21 seconds to an on-screen holding page, which instructed them to wait while their group's members submitted their ratings. This holding page was intended to make it seem more realistic that their feedback would be based on the ratings of their group members.

**Status and performance feedback: The status loss manipulation.** Participants then received two pieces of feedback: performance feedback and status loss feedback. First, all participants received the same above-average performance ratings (4.6 out of 7, regardless of condition) to ensure that status loss would not be confounded with negative performance feedback.

Second, participants received status loss (no status loss) feedback. In our manipulation, status loss was a drop to a status position one lower (versus maintaining the same status position) in the group. Participants read that because their group members had the opportunity to redistribute their respect points, they might have won or lost points after the face-to-face group task ("If you won more respect points than another group member, you may receive a more prestigious title. If you lost more respect points than another group member you may lose your title").

After a seven-second holding page that indicated results were being generated, participants saw a bar graph in which the colored bars (red, yellow, blue, green) corresponded to the respect point results of each group member relative to the others. In the no-status-loss (status-loss) conditions, participants saw a bar graph that indicated they were now in the same status (lower status) position in terms of the percentage of respect points they had received relative to their group members. For example, participants in the high-status (red) no-status-loss condition saw a bar graph showing that the red group member was still higher than the yellow, blue, and green group members, whereas participants in the high-status status-loss condition saw a bar graph showing that the red group member was now lower than the yellow group member, but still higher than the blue and green group members. To ensure participants understood the implications of the bar graph, text underneath the graph in the low-status (high-status) no-status-loss (status-loss) condition read: "After the group task you . . . maintained your [lost] respect points. Based on this result you

will . . . keep [lose] your title. You will remain [drop from] the Program Manager/the Chairman of the Board [to the Administrator/to the Director of Academics].”

After the status-loss manipulation, participants completed an individual task (performance quality measure), manipulation checks, a suspicion question, and demographic questions. These measures are explained below.

### Measures

**Performance quality.** Following past research, we assessed performance quality by examining participants' accuracy and proficiency on an individual task (e.g., Bono & Judge, 2003; Grant & Hofmann, 2011; Schmeichel et al., 2003). Specifically, we had participants complete a word-search puzzle. We followed past studies that have examined differences in performance quality by examining the number of errors participants made in completing the task (e.g., Adam, 1972; Beersma, Hollenbeck, Humphrey, Moon, Conlon, & Ilgen, 2003; Kirkpatrick & Locke, 1996).

On a computer screen, participants were instructed that they would have up to ten minutes to type into a text box all words of at least three letters they found in the word-search puzzle (see Willis, Guinote, and Rodríguez-Bailón [2010] for a similar measure). We then coded errors (i.e., words that were fewer than three letters, were not real words, or were not in the word search) as 1, and summed the total numbers of errors to create an overall measure of task performance in which lower scores indicated higher-quality performance. To verify the reliability of this coding, we asked a second rater to recode this variable, and we examined the Pearson correlations (Jansen, Van Den Bosch, & Volberda, 2005) and calculated  $r_{wg}$  interrater agreement scores (James, Demaree, & Wolf, 1993; LeBreton & Senter, 2008). We found our coding was sufficiently reliable ( $r = .90$ ,  $p = .001$ ), and agreement with the independent rater was good (mean  $r_{wg} = .93$ , median  $r_{wg} = .99$ ).

**Initial status position manipulation check.** After the group task (before the status-loss manipulation), participants responded to three items about the extent to which they felt they were “in a position of high status,” “respected by your group members,” and “highly regarded by your group members” ( $\alpha = .84$ ; 1 = “not at all,” 7 = “very much”).

**Status-loss manipulation check.** At the end of the study (after the performance task), participants

responded to two questions about their experience of status loss: “To what extent do you feel like your status in the group decreased after the face-to-face group task?” and “How much status do you feel like you lost after the face-to-face group task” ( $\alpha = .84$ ; 1 = “not at all,” 7 = “very much,” and 1 = “none,” 7 = “a lot,” respectively).

**Suspicion.** Participants were asked whether they were suspicious of anything that occurred during the experiment. They wrote open-ended responses that were coded for suspicion. Responses indicating disbelief about the status or status-loss manipulations were coded as suspicious. Nine participants who indicated suspicion were excluded from the main analyses, leaving 77 participants in the sample.<sup>3</sup>

### Results and Discussion

**Manipulation checks.** We conducted ANOVAs to determine the effectiveness of the initial status position and status-loss manipulations. First, we found that participants in the low-status condition felt they had lower status in the group (mean = 4.18, s.d. = 1.09) before the status-loss manipulation than did participants in the high-status condition (mean = 5.46, s.d. = 1.09;  $F[1, 75] = 26.32$ ,  $p = .001$ ,  $\eta^2 = .26$ ). By examining the participants' respect point allocations, we also confirmed that participants conferred more status on the high-status confederate (yellow: mean = 3.94, s.d. = 1.03) than the low-status confederate (green: mean = 2.74, s.d. = .93;  $t[76] = 6.18$ ,  $p = .001$ ). Second, we found participants in the status-loss conditions (mean = 4.06, s.d. = 1.55) felt they lost more status than those in the no-status-loss conditions (mean = 2.38, s.d. = 1.39;  $F[1, 75] = 25.11$ ,  $p = .001$ ,  $\eta^2 = .25$ ). However, accounting for their initial perceived status, high-status (mean = 3.04, s.d. = 1.46) and low-status (mean = 3.46, s.d. = 1.88) participants did not differ in the amount of status loss they reported experiencing ( $F[1, 74] = 0.55$ ,  $p = .46$ ). Specifically, although high-status participants who lost status reported experiencing more status loss (mean = 3.64, s.d. = 3.07) than high-status participants who did not lose status (mean = 2.64, s.d. = 2.98;  $F[1, 72] = 4.53$ ,  $p = .04$ ), and low-status participants

<sup>3</sup> We reran all main analyses with these 9 participants included; doing so did not change the pattern and statistical significance tests of the results.

who lost status reported experiencing more status loss (mean = 4.47, s.d. = 2.81) than low-status participants who did not lose status (mean = 2.08, s.d. = 3.16;  $F[1, 72] = 26.61, p = .001$ ), high- and low-status participants who lost status did not significantly differ in the amount of status loss they reported experiencing (high: mean = 3.64, s.d. = 3.07; low: mean = 4.47, s.d. = 2.81;  $F[1, 72] = 2.86, p = .10$ ). These results indicate that initial status position and status-loss manipulations had the intended effects.

**Performance quality.** To examine how initial status position influences the effect of status loss on performance quality, we conducted a Poisson regression (the dependent variable was a count; see Long [1997]) with performance quality as the dependent variable and initial status position and status loss as factors. Results revealed a significant main effect of initial status position on performance quality ( $b = 0.75, s.e. = 0.33, p = .03$ ) and a significant main effect of status loss on performance quality ( $b = 1.01, s.e. = 0.22, p = .001$ ). As expected, we found a significant initial status-by-status-loss interaction on performance quality ( $b = -1.17, s.e. = 0.45, p = .01$ ), which indicated that initial status position influenced the quality of participants' performance after status loss. We conducted planned comparisons to determine the pattern of results (see Figure 2).

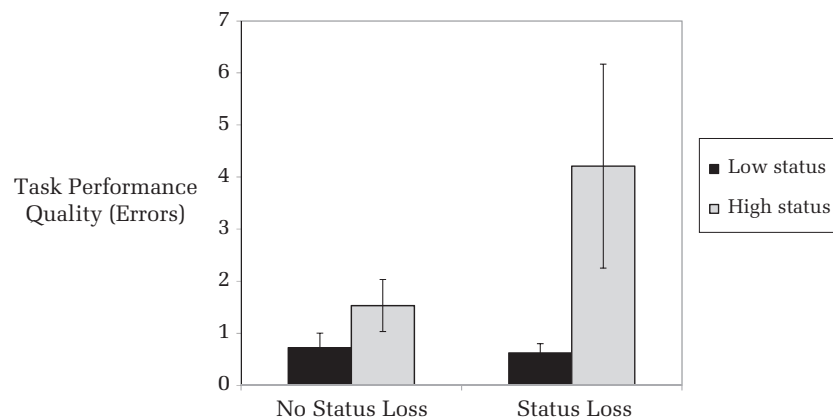
Supporting Hypothesis 1, high-status participants who lost status performed more poorly (mean = 4.21, s.d. = 8.52) than both high-status participants who had not lost status (mean = 1.53, s.d. = 2.17;  $\chi^2[1, 77] = 21.92, p = .001$ ) and low-status partic-

ipants who lost an equivalent amount of status (mean = 0.62, s.d. = 0.81;  $\chi^2[1, 77] = 41.10, p = .001$ ). However, the performance quality of low-status participants was unaffected by status loss ( $\chi^2[1, 77] = 0.15, p = .69$ ).

It is also important to note that high- and low-status participants did not differ in the *quantity* of their output (the weighted number of words found) according to whether or not they lost status ( $F[1, 73] = 2.57, p = .11$ ). The fact that the quality, rather than the quantity, of high- and low-status-participants' output was affected by status loss suggests that high-status individuals were not unmotivated, but that they experienced difficulty performing well after status loss. This is consistent with our theory that high-status individuals experience more self-threat, which interferes with their ability to accurately and proficiently execute subsequent tasks.

Overall, the results of Study 2 provide further support for Hypothesis 1 and suggest that status loss is more disruptive to high- than to low-status individuals' performance quality. Specifically, although losing status did not influence the performance quality of low-status individuals, it negatively affected the performance quality of high-status individuals. After losing status, high-status individuals made more mistakes than low-status individuals who lost a comparable amount of status. We believe that this is particularly interesting given that—as in past research demonstrating that high-status individuals are less likely to admit experiencing threats to their status (Scheepers et al., 2009)—high-status participants in this study reported experiencing

FIGURE 2  
Effect of Status Loss on Task Performance Quality by Initial Status Position, Study 2



marginally less ( $p = .10$ ) status loss than low-status participants, yet the quality of their performance suffered more after status loss. It is also relevant to note that performance feedback was controlled for all status maintenance and status loss conditions. Consequently, reactions to status loss are not simply reactions to negative performance feedback. Despite performing well before status loss, losing the respect of group members can derail an individual's performance. This result provides additional support for our theoretical model.

However, this study still had two main limitations that needed to be addressed in an additional experiment. First, the hierarchy established in Study 2 was a zero-sum hierarchy: participants' status loss coincided with their observing one of their group members moving up in the hierarchy. Accordingly, reactions to status loss may also have been reactions to a specific group member gaining status. Second, the design of this study did not enable us to examine the role of self-threat (or self-affirmation) in explaining why status loss negatively affects the performance of high- but not low-status individuals. We designed Study 3 to address these two issues.

### STUDY 3

In Study 3, we extended the findings of Studies 1 and 2 in two main ways. First, we designed the experimental context in such a way that a participant's status loss would not be attributable to a specific other's status gain. Second, we tested Hypothesis 2 through a moderation-of-process design. This design allowed us to evaluate our theory that, as compared with low-status individuals, high-status individuals experience more self-threat after status loss, which is why high-status individuals are more strongly affected by status loss.

A moderation-of-process design involves experimentally manipulating a proposed psychological process and examining whether it moderates a main effect. A significant moderation provides support for the proposed causal chain (Spencer et al., 2005). Manipulating the psychological process eliminates participant biases (e.g., accuracy, impression management) in self-reporting constructs. This type of design is preferable to the traditional method of testing mediation statistically when the proposed psychological process is not easily measured—as is the case with self-threat (Scheepers et al., 2009; Scheepers & Ellemers, 2005). We therefore used self-affirmation manipulations (Ku-

mashiro & Sedikides, 2005; Leary et al., 1995; Sherman & Cohen, 2006) to assess self-threat indirectly. We expected that giving high-status individuals the opportunity to affirm their self (which protects against self-threat) would attenuate the negative effect of status loss on their performance quality, but that low-status individuals' performance quality would be unaffected by self-affirmation.

### Participants and Procedure

Seventy-six participants (44 females, mean age = 24.39,  $s.d. = 8.08$ ) from a university-affiliated participant pool completed a simulated, computer-mediated group study with a two (initial status position: high vs. low) by two (self-affirmation: affirmation vs. no affirmation) between-participants design. Participants read that they would complete three separate tasks:<sup>4</sup> (1) a group-based "persuasion task," (2) an individual "writing task," and (3) an individual "description task." In the group persuasion task, participants experienced losing status, dropping from either a low- or high-status position in their group. In the individual writing task, half the participants were given an opportunity to self-affirm. The final description task was the same for all. After completing the study, participants were debriefed, thanked, and compensated.

Participants came to the laboratory in groups of four, and each person was then seated at a computer in a separate room to complete the three tasks. Before starting the first task, participants were invited to send (via computer) an introductory message to their group members, and they subsequently viewed introductory messages from each of their group members (e.g., "Hello Group: Looking forward to working with you!!"). Next, participants completed the group-based persuasion task. Each chose a topic and had four minutes to write a persuasive argument on that topic. Participants then viewed the arguments written by their group members and were instructed to determine how much they respected each group member "based on their argument and what they knew about them so far." As in Study 2, they were instructed to allocate ten "respect points" among their group members. In reality, the re-

<sup>4</sup> At this behavioral research lab, it was not unusual for participants to complete several unrelated tasks or studies in one sitting.



sponses of the other three group members were preprogrammed.

**Status manipulation.** We told participants that they would receive 0–30 respect points from their group. A graph containing preprogrammed false feedback was generated on their monitors to display the proportion of respect points they had received from their group relative to the average number of respect points their group members received (manipulating initial status position in the group). Thus, the salient comparison was to the group average, rather than to specific group members. Participants in the high-status condition saw a graph indicating they had more respect points than the average group member and the message “You won the most respect points of any group member! Congratulations!” Participants in the low-status condition saw a graph indicating they had fewer respect points than the average group member and the message “You won fewer respect points than your group members.”

**Status loss.** Next, participants completed a second round of the persuasion task, after which they were instructed that they could keep their allocation of respect points to their group members the same as in the first round or could redistribute their respect points by “taking points from one group member to give to another.” Since all group members had this option, participants read that this meant they could win or lose respect points from the first round. Participants in both status conditions saw a graph and message indicating that they had lost 50 percent of their respect points from the first round of the task.

**Affirmation manipulation.** After the status-loss manipulation, participants completed the writing task. As mentioned in our theory, one of the ways people can affirm their positive sense of self is through their social affiliations (Kumashiro & Sedikides, 2005; Leary et al., 1995; Sherman & Cohen, 2006). By reflecting on relationships that make them feel respected and worthy, people can restore a positive self-view, thereby eliminating self-threat. Accordingly, we manipulated affirmation during the individual writing task by having participants write about a valued personal relationship (for similar manipulations, see Cohen, Aronson, and Steele [2000] and Kumashiro and Sedikides [2005]). Participants in the affirmation condition were asked to think about a specific relationship they had with someone who made them feel respected and worthy. They were asked to describe this relationship (e.g., “What is your relationship to this person?”

“How do they make you feel?” “Why are they important to you?”). In the no affirmation condition, participants were asked to describe their last trip to the grocery store.

## Measures

**Performance quality.** Previous studies have operationalized proficient task performance by examining the quality of responses given in verbal tasks (e.g., verbal fluency [Rothbard & Wilk, 2011]). We followed this approach in Study 3 and counted the number of low-quality responses participants gave in a word generation task. Participants were asked to generate a list of up to 15 adjectives to describe the taste of chocolate chip cookies. As with Study 2, we coded low-quality responses (i.e., complete entries that were not descriptive (e.g., “nice,” “good”) or were not descriptive of taste (e.g., “round,” “brown”) and incomplete entries as 1 and summed these poor responses to create an overall measure of task performance quality in which lower scores indicated higher-quality performance. As in Study 2, an independent rater recoded this variable to verify the reliability of the coding, and we found our coding to be reliable ( $r = .92$ ,  $p = .001$ ). There was adequate agreement with the independent rater (mean  $r_{wg} = .87$ , median  $r_{wg} = .93$ ).

**Manipulation checks.** To verify that the status and status-loss manipulations had the intended effects, we asked participants two questions: “After argument 1, to what extent did you feel that you had low status in your group?” (initial status position; 1 = “not at all,” 7 = “very much”) and “After argument 2, to what extent do you feel like your status in the group decreased?” (status loss; 1 = “not at all,” 7 = “very much”). Finally, participants were asked what they thought the study was about. Two participants who indicated disbelief about the manipulations were coded as suspicious and excluded from the main analyses, leaving 73 participants in the sample.<sup>5</sup>

## Results and Discussion

**Manipulation checks.** We conducted ANOVAs to determine the effectiveness of the manipula-

<sup>5</sup> We reran all analyses with these two participants included; doing so did not change the significance or pattern of the results.

tions. First, we found that participants in the low-status condition felt they had lower status in their group (mean = 4.67, s.d. = 1.53) after the first argument (before the status-loss manipulation) than did participants in the high-status condition (mean = 3.27, s.d. = 1.61;  $F[1, 71] = 14.41, p < .001, \eta^2 = .17$ ). Second, accounting for their initial perceived status, low-status (mean = 4.71, s.d. = 2.68) and high-status (mean = 4.77, s.d. = 2.64) participants did not differ in the amount of status loss they experienced ( $F[1, 70] = 0.02, p = .88$ ), and the amount of status loss participants experienced was significantly greater than the mean of the scale (mean = 4;  $t[72] = 3.14, p = .002$ ). These findings indicate that the manipulations had the intended effects.

**Performance quality.** To determine the effect of initial status position and affirmation on performance quality, we conducted a Poisson regression with performance quality as the dependent variable and initial status position and affirmation as factors. Neither initial status position nor status loss had a main effect on performance quality ( $b$ 's < 0.15,  $p$ 's > .05). However, as expected, we found a significant effect on task performance quality of the interaction of status and affirmation ( $b = -0.15, s.e. = 0.08, p = .05$ ).

We conducted planned comparisons to determine the pattern of results (Figure 3). In agreement with Hypothesis 2, we found that high-status participants who were not affirmed gave more low-quality responses (mean = 10.67, s.d. = 1.75) than high-status participants who were affirmed

(mean = 7.84, s.d. = 4.34;  $\chi^2[1, 73] = 7.94, p = .005$ ), whereas the quality of low-status participants' performance was unaffected by affirmation (not affirmed, mean = 9.56, s.d. = 2.48; affirmed: mean = 9.56, s.d. = 2.43;  $\chi^2[1, 73] = .01, p = .99$ ).

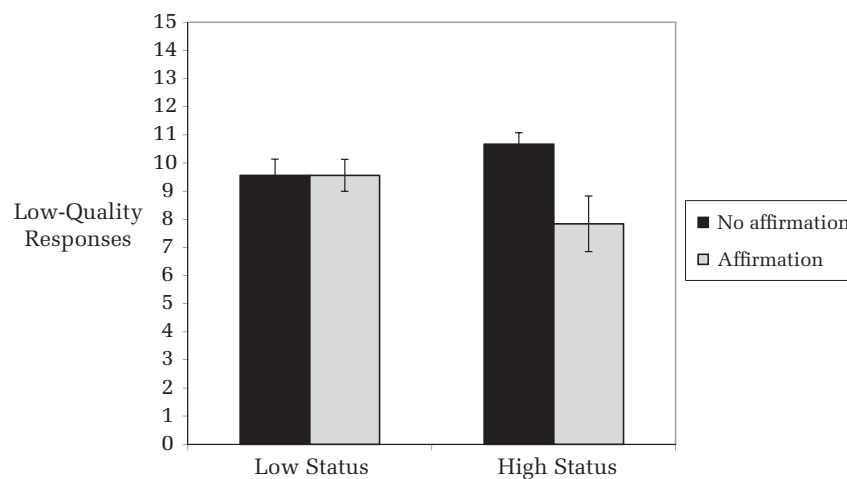
These results suggest that high-status individuals experienced more threat after status loss than their low-status counterparts, which negatively impacted the quality of their task performance; having the opportunity to self-affirm (protect against self-threat) restored performance quality. Without the opportunity to affirm, high-status individuals also manifested a nonsignificant tendency to perform more poorly (mean = 10.67, s.d. = 1.75) than did low-status individuals (mean = 9.56, s.d. = 2.48;  $\chi^2[1, 73] = 1.10, p = .29$ ).

Overall, the results of Study 3 are consistent with our theory that high-status individuals experience more self-threat after status loss and consequently have more difficulty performing proficiently after status loss than their low-status counterparts. Specifically, the restored performance quality high-status individuals experience when they have had an opportunity to self-affirm provides indirect evidence that a relationship between status position and impaired task performance quality occurs as a consequence of self-threat triggered by status loss (cf. Spencer et al., 2005).

## GENERAL DISCUSSION

This article investigates how status loss impacts performance quality in high- and low-status indi-

FIGURE 3  
Effect of Affirmation on Task Performance Quality by Initial Status Position, Study 3



viduals. Whereas much of the status literature has focused on the many advantages associated with being respected and admired, we suggest that there is a cost to receiving these benefits. High-status individuals, such as star performers and high-ranking executives, receive more respect than their low-status counterparts. However, they may also come to depend on the respect they receive to maintain a positive view of themselves. We therefore suggest that when high-status individuals lose status, they experience this loss as more self-threatening, which impairs their performance quality in the aftermath of status loss.

One field and two laboratory studies using different measures and manipulations of both initial status (e.g., rank, title) and status loss (e.g., losing an arbitration, being given a less prestigious title) supported our predictions. In Study 1, we found initial support for our theoretical model in a sample of professional baseball players. We found that status loss (i.e., losing final-offer arbitration) negatively affected the quality of high-status players' postarbitration performance more strongly than it affected low-status players' postarbitration performance. In fact, low-status players' performance was unaffected by status loss. We constructively replicated and extended this finding in a high-involvement group experiment in Study 2, in which we controlled for the potential influence of negative performance feedback and differences in ability. Finally, in Study 3, we used a moderation-of-process design to test whether self-threat mediated the relationship between initial status position and performance quality. In accordance with our proposed psychological process, we found that having the opportunity to affirm their sense of self-worth increased the quality of high-status individuals' performance but did not affect low-status individuals' performance.

In sum, our studies support the idea that high-status individuals experience status loss as more self-threatening than do their low-status counterparts; because of this, the quality of the former's performance is impaired after they lose status. The internal and external validity of these results is strengthened by using both field and laboratory methods and by capturing actual instances of status loss and behavior (rather than intentions) after status loss, in all three studies.

### Theoretical Implications

Our research contributes to the literature on status by examining the understudied phenomenon of

status loss. Although a few recent empirical studies have examined how people react to the possibility of losing status in the future (Bothner et al., 2007; Pettit et al., 2010; Scheepers et al., 2009), to our knowledge ours is the first series of studies investigating how high- and low-status people behave after actually losing status. Moreover, where research on prospective status loss suggests that people increase effort in the face of status loss (Pettit et al., 2010), our research suggests that because the self becomes implicated in holding a high-status position, those with the most status are least careful and proficient in completing tasks after status loss. This reaction is significant because it is self-defeating: by executing tasks less proficiently, high-status individuals may experience additional status loss and thwart their ability to regain status in the future.

Our findings challenge traditional models of status, in which more status is equated with greater resources and, thus, with better outcomes. According to the traditional perspective, the material, psychological, and social privileges associated with status should facilitate high-status individuals' resilience in the face of negative life events (Hobfoll, 1989; Kessler, 1979; Lazarus & Folkman, 1984; McLeod & Kessler, 1990). However, our research highlights at least one type of negative life event (i.e., status loss) in which more status resources are a liability. Despite their superior resources, high-status individuals have more difficulty executing tasks proficiently after status loss. This raises the question, Is more status always better? Individuals have a fervent drive to acquire status, but there may be some situations in which having less status actually leads to better outcomes (Frank, 1985).

### Future Research Directions

One question that comes out of this research is how status loss affects people in the middle of a status hierarchy. In the current article, we chose to focus on those at the top and the bottom of a hierarchy. However, one might wonder whether those in the middle will react to status loss more like high- or low-status individuals. Although our research suggests that high-status individuals react the most poorly to status loss, past research has shown that midstatus actors sometimes experience greater pressure to maintain their position (Phillips & Zuckerman, 2001). Thus, a potentially interesting line of future inquiry would be to investigate how

those in the middle (e.g., the middle class, midlevel managers) respond to losing status.

Similarly, in this research, we conceptualized status on a linear continuum (see Singh-Manoux et al. [2003] for similar measures). However, it is interesting to consider how different types of status hierarchies (e.g., bimodal, flat, zero-sum) might influence reactions to, and the downstream consequences of, status loss. For example, in flatter hierarchies in which distribution of resources is egalitarian (e.g., Norton & Ariely, 2011), high-status individuals may be less motivated make their status position a central part of self, and consequently, status loss may be less self-threatening. Conversely, because people's perceptions of their status are largely determined by social comparison, zero-sum hierarchies (in which one person's status loss co-occurs with another's status gain) might exacerbate the performance impairment high-status people experience after status loss.

It is also important to note that although we examined people's reactions to clear status loss events (e.g., arbitration loss, demotion), depending on their level of achieved status (e.g., past performance), status loss may not always happen abruptly (e.g., an individual might become less respected in a group over time), and people can lose ascribed status (e.g., titles, affiliations) just as they can lose achieved status. Such differences could influence the psychological and performance consequences people experience after status loss. For example, when status is based on achieved characteristics (e.g., past performance), status loss might be extremely self-threatening to high-status individuals, and this self-threat may prevent them from having a significant performance advantage—yet top performers making mistakes are still unlikely to perform more poorly than the poorest performers in a setting. However, if status is based solely on ascribed characteristics (e.g., high-status affiliations), the self-threat experienced after status loss may have even more damaging consequences for high-status individuals' performance quality. In this case, status loss could actually result in a performance *disadvantage* for high-status individuals, creating an ideal opportunity for low-status individuals to move up in a status hierarchy.

Another fruitful avenue for future research would be to extend the scope of status loss consequences. Our theoretical model suggests that, because they are dealing with self-threat, the quality of high-status individuals' task performance declines after status loss. However, there are many other organizationally rele-

vant dimensions of performance—organizational citizenship behaviors, counterproductive behaviors, and adaptive and proactive behaviors—that are likely to be affected by an experience of self-threat (Crocker & Wolfe, 2001) and are thus likely consequences of status loss. It is also possible to extend the scope of outcomes by investigating behaviors that occur outside of the context in which a given status loss occurred.

We also acknowledge that there may be factors that moderate the influence of initial status position on performance quality. Our model suggests that initial status position influences performance quality because high-status individuals view their status as a more central component of self than do low-status individuals. However, there will be individual variation to the extent that both high- and low-status individuals view status as central to self. For example, some individuals might view their personal relationships as more central to self than their occupational status, and this could attenuate the negative consequences (cf. Kasser & Ryan, 1996) of status loss at work. Similarly, people's affective commitment to their role may also influence self-threat and performance failures they experience after status loss. For example, low-status individuals who feel highly committed to their role are likely to experience status loss as more threatening, triggering performance declines similar to those of the high-status individuals in our studies. Exploring moderators will be a fruitful starting point for future research.

Finally, the results of our studies are consistent with the theory that high-status individuals make their status a more central component of their self and consequently experience more self-threat when they lose status, and the quality of their performance suffers. However, other factors might contribute to the self-threat high-status people experience after status loss. For example, it is possible that high-status people have inherently stronger status-striving motivations (Barrick, Stewart, & Piotrowski, 2002), and status loss thwarts those motivations. It is also possible that the act of holding status increases the salience and appreciation of the resources associated with status (Griskevicius, Tybur, & Van den Bergh, 2010), making status loss more threatening for high-status individuals. There are other cognitive and motivational processes that may contribute to the performance effects we found. For example, high-status individuals may be more likely than low-status individuals to *expect* to continue receiving respect and deferral (e.g., Thau,

Aquino, & Bommer, 2008); thus, status loss may trigger cognitive inconsistency (Fiske & Taylor, 2008), which may in turn reduce performance quality. Finally, high-status individuals' reduced performance quality could also be a response to inequity: when high-status individuals lose status, the respect and admiration they receive is no longer commensurate with their contributions, and so high-status individuals may limit their contribution to reduce this inequality (cf. Ambrose & Kulik, 1999). Future research could explore how alternate processes might contribute to performance declines after status loss.

### Practical Implications

Our research makes several practical contributions for understanding status loss in organizations. We found that high-status individuals are more likely to experience impaired performance after losing status than their low-status counterparts. Ironically, in organizations, high-status individuals (e.g., star performers, high-ranking executives) are probably also less likely to admit or show that they are feeling threatened (Scheepers & Ellemers, 2005). This may not only exacerbate the distraction and subsequent performance impairment they experience, but it also makes it less likely that others (coworkers, clients, shareholders) will recognize they are impaired. As a result, bad decisions and errors made in the immediate aftermath of status loss may not be noticed until they have had serious and potentially irreversible consequences. The results of Study 3 do give reason for optimism. In accordance with research on compensatory self-inflation (Baumeister & Jones, 1978; Greenberg & Pyszczynski, 1985), which shows that individuals can compensate for threats to self by drawing on self-esteem from another domain, thinking about a significant relationship that makes one feel respected and worthy can restore high-quality performance. Still, one might question whether those at the top of a hierarchy (e.g., top-ranking executives) will seek out the affirmation that they need in order to restore their superior performance.

Finally, we found that high-status individuals have difficulty performing well after status loss, and we suggest that an implication of this reduced performance quality is that it may thwart their ability to regain status in the future. Because many instances of status loss will not be permanent, status can often be regained after status loss. Consequently, how high-status individuals are perceived

to deal with status loss is critical. This makes it important to consider how high-status individuals who experience status loss might protect the perception that they, in fact, deserve their status position. For example, if performance is likely to be impaired by status loss, finding other ways to appear worthy of a high-status position (e.g., helping one's group members) might help high-status individuals regain their position after status loss.

### Conclusion

In sum, this research investigated status loss as a neglected phenomenon in the status literature. We found that initial position in a status hierarchy influences the quality of people's task performance in the aftermath of status loss. High-status individuals experience more self-threat and subsequent difficulty performing well after losing status than do low-status individuals. However, having the opportunity to affirm self restores high-status individuals' high-quality performance. These findings contribute to understanding the psychological influence of status and the impact of status loss on individuals' psychological and work performance. We hope they inspire more research on how members of groups and organizations deal with status loss.

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