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BAME staff and public service motivation: the mediating role of perceived fairness in English local government

Abstract

This study aims to examine the perceptions of Black, Asian and Minority Ethnic (BAME) staff in English local government on the ethical nature of their treatment at work, and its mediating effect on their Public Service Motivation (PSM). This is a particular imperative in a sector which itself delivers social justice within a strong regulatory system designed to ensure workplace equality and therefore is expected to be a model employer for other organisations. Employees place great importance on their fair treatment by their employers and, in particular, the endeavour of managerial authority to implement equality at work based on their discretionary powers. 2,580 valid responses were collected from 15,000 questionnaires sent to staff in five local councils in England. Our analyses show that BAME employees have a significantly stronger PSM than their white colleagues, however, this has been eroded by their perception of unfair treatment: being underpaid allied with a lack of effort from management to ensure an equal work environment, to be specific, to prevent discrimination, bullying, and racism at workplace. Most importantly, the perceived exertion made by management to ensure an equal work environment has a significantly strong mediating effect on PSM and a compensational effect on perceived lower pay. Theoretical and practical implications are discussed.

Key words: BAME, Public Service Motivation, Fair Pay, Equal Work Environment, UK

Introduction

Employees remain one of the main ‘stakeholders’ in any organisation. The relationship, therefore, between employees and employer is laden with moral responsibilities in addition to the duties rooted in the employment contract based on an economic exchange of work for wages. Such a moral compass is guided by basic ethical principles such as fair pay and equal work environment regardless of the personal characteristics of a staff that include, *inter alia*, gender, race, age, and disability. However, continued widespread discrimination and racism have resulted in an ethnicity-based pay gap as well as the underrepresentation of Black and Asian Minority Ethnic (BAME) staff in senior positions in the UK (Chowdhury 2016; McGregor-Smith 2017). In 2018, BAME employees in the public sector in London, an area with one-third non-white population, were paid up to 37.5% less than their white colleagues (Bulman and Musaddique 2018). This is surprising in a sector with a strong regulatory system designed to ensure workplace equality and which is expected to act as a ‘model employer’ (Ashikali and Groeneveld 2015; Fredman and Morris 1988).

These labour management issues related to fairness become pivotal when the duty of these unfairly treated employees is to deal with justice-seeking citizens on behalf of the local authority. Their attitudes and behaviour are fundamental to ensuring the social performance of their employer (Van Buren 2005). The perception to be treated with respect and propriety (Bies and Moag 1986; Greenberg 1993) is an intrinsic determinant of workers’ attitudes and has become an important aspect of Human Resource Management (HRM) (Cornelius et al. 2010). Thus, ensuring staff is treated ethically becomes both a central tenet of the organisation’s corporate responsibility and part of the motivational package for the staff themselves. This has become urgent since the public sector has a “recruiting crisis” due to increased job insecurity and lower pay caused by constant waves of austerity, coupled with pay caps and pension reforms. As a result, such work has become less attractive to the traditionally dominant white male workforce (BBC News, 2018; Chynoweth 2015). It has become necessary to tap into minority ethnic groups for much-needed talents. Our understanding of BAME’s employment experience in public sector is very limited since most attention has been given to their employment access (McGregor-Smith 2017).

By examining the employment experiences of BAME employees in local English government, we aim to contribute in two ways: first, we explore Public Service Motivation (PSM) of this traditionally disadvantaged group in the UK. Most studies have focused on the white-male dominated workforce and PSM, there are very limited studies with regard to PSM of minority ethnic group (see a systematic review by Ritz, Brewer Neumann, 2016). Secondly, we examine the mediating mechanism of ethical treatment between BAME staff and their PSM through highlighting the duty of care of management. Whatever the designed procedures and policies by HR in line with corporate objectives (at any level of social responsibility) (Shen et al. 2009), the implementation of ethical treatment is their Achilles’

heel (Ashikali and Groeneveld, 2015; Hoel 2013; Woodrow and Guest 2014). In particular, the superior managerial power in the employer-employee relation entails the duty to commit to a real and enduring concern for the ethical treatment of the latter. This has been surprisingly overlooked. In the sections that follow we review the motivation effect of fairness at work; then explore PSM among BAME staff in the UK. Based on the literature review, we developed our testable hypotheses. 2,580 valid responses were collected through 15,000 questionnaires to five English local governments¹ and Structural Equation Modelling was employed. This is followed by discussion and conclusion.

Fairness at work

Fairness at work is one core element in treating employees ethically. It refers to employees' perception of organisational justice, that is to say, management adherence to rules on the condition that rules are impartial (Colquitt and Rodell 2015; Goldman and Cropanzano 2015; Greenberg 1993). Winstanley et al. (1996) argued that ethics in the more inclusive forms of HRM draw from two major ingredients: fair pay and equal treatment. The former can be ensured through procedural principles of distributive justice as in a system for pay setting and performance management (Cornelius, et al., 2010), while the latter reflects basic human, civil, and employment rights (ibid.). Extant research has confirmed positive employees' outcomes (such as job satisfaction, attitudes, turnover intention) when managers or supervisors were perceived to be fair (for a review see Colquitt et al., 2001). This, to some extent, has addressed the unequal power relation between employer-backed managers and employees. The pivotal role of HRM to ensure ethical treatment of staff through compliance with rules and regulations at the workplace has been neglected (Cornelius et al. 2010; Demuijnck 2009). Such treatment includes freedom from discrimination and harassment caused by line managers, colleagues and service users (Chowdhury 2016; Lewis and Gunn 2007; Wood et al. 2013).

The concerns of managers to ensure fair dealing on employment issues have always been part of the core element of employment relations (Pinnington et al. 2007), but only tend to become centre-stage when either the core values of the institutions are involved (as with some public services and charities) or when there are other powerful institutional intermediaries (such as trade unions) at the workplace (Cornelius et al. 2010; Mulholland et al. 2006). At work, there are clear rules that cover discrimination, and these are enforceable through grievance procedures, union activities, and threats to the reputation of the employer if exposed as ignoring racial discrimination (Hoel, 2013). These apply with greater force in the public sector than in the private sector, and especially in local government with its elected employers and strong regulatory systems, where general expectations of equal treatment would be higher. Nonetheless, despite years of legal regulation since 1976, explicitly stated employer's commitment to equality, union pressure, HRM practices, and generational community changes, the case is made that such discrimination is still prevalent in the workplace

¹ The survey was funded by UNISON, the local government trade union

(Lewis and Gunn, 2007; McGregor-Smith 2017). But the extent to which it douses the enthusiasm for public sector work among BAME staff remains unclear.

Public service motivation and BAME employees in the UK

There is well-established position on PSM based on Perry's work (Perry and Wise 1990; Perry et al. 2010) in which PSM is defined as a desire to *serve* the public which is not generally found among employees in private businesses. Recently it was defined as "the belief, values and attitudes that go beyond self-interest and organisational interest, that concern the interest of a larger political entity and that motivate individuals to act accordingly whenever appropriate" (Vandenabeele 2008). A systematic literature review by Ritz et al. (2016) has largely confirmed the positive outcomes of PSM, including staff job satisfaction (Bright 2008), organizational citizenship behaviour (Grant 2007; Kim, 2015; Rayner et al. 2012; Taylor 2008) and staff performance (Alonso and Lewis 2001). However, among 400 papers reviewed, the great majority had exclusively researched the white-male workforce, only 15 extant studies had some consideration of ethnic minority workers in the PSM framework (Ritz et al. 2016), and this leaves PSM of the ethnic minority group underexplored.

The importance of minority ethnic groups in the public sector in the UK has increased for two reasons: first, employment in the public sector has lost its attraction among the traditionally dominate workforce due to increased job insecurity and lower pay. One consequence of this is that the public sector faces an increasing challenge to recruit workers (Cribb et al. 2017; Lewis and Frank 2002). Secondly, the public sector has special status and is expected to act as a model employer, especially in relation to policies and practices that relate to equalities laws and in particular, the Equality Act (2010). Despite a long history of implementing diversity policies and legislation since 1976 (The Race Relations Act), there is still widespread bullying, harassment, and discrimination in the public sector, and the persistence of a pay gap based on ethnicity (Bulman and Musaddique 2018; Chowdhury 2016; Lewis and Gunn 2007). Researchers have endeavoured to understand the failure to reduce workplace bullying and harassment (Hoel 2013; Woodrow and Guest 2014) and barriers to equality (Ashikali and Groeneveld 2015), however, without comprehending the mechanism of ethical treatment on BAME staffs' perception of fairness, it lacks the basis to improve effective diversity management.

The motivational values that people bring to the job, including prior needs, expectations and priorities evolve with their subsequent experience of employment in the organization. There is a general agreement concerned with specific cultural influences of BAME staff. Asian cultures, for example, emphasize selfless subordination to the family and community (Sastry and Ross 1998). Government jobs are associated with power, considered to be very prestigious, and command respect in the Asian community (Chowdhury 2016; Patil 2017). In addition, the stronger regulations to ensure equality in the public sector may be another factor in attracting minority staff in the host country (Lewis and Frank, 2002). Based on the labour force survey in 2015, Asian (Indian, Pakistani, Bangladeshi,

Chinese and other Asian) made up the largest minority group, 6%, compared with the rest minority ethnic groups, 3.2%, in the “Public Administration and Defence” category. Culture and social experience make BAME workers value working in the Public Sector, they perceive their jobs as important to the community and value the status associated with such work. They have a positive view of the role of local authorities as employers and as providers of public services (TUC 2009). We, therefore, suggest that:

Hypothesis 1: BAMEs have a higher public service motivation than their white colleagues

The mediating effect of fairness at work

Culturally dominant notions of ‘justice as fairness’ (Rawls 1971) or ‘fairness’ as socially-constructed norms through tradition and democratic debate (Sen 2009) can play a significant part in both the job satisfaction of public service workers and their motivation through ethical considerations of the purpose of the job itself. The argument is that PSM corresponds with the wider debate on the unique sense of worth generated by working for public sector organisations (Lewis and Frank 2002; Ritz et al. 2016). This is rooted in the strong sense of honour to uphold justice or fairness through their inputs as acting on behalf of the local authority. However, their attitudes and actions will be partly shaped by their own ethical experience, namely, ‘fair pay’ and a strong workplace commitment to equality.

Public sector pay on average is less than for equivalent jobs in the private sector as government agencies are not subject to the financial discipline of the marketplace, which makes it more difficult to relate job promotions and pay rises to simple monetary indicators of performance like sales and profitability (Bright, 2008). Due to widely documented inequality to employment access (McGregor-Smith 2017), many BAMEs have to take up jobs for which they are over-qualified (Healy 2009), resulting in a pay gap that has been usually in favour of white British workers (Brynin and Guveli, 2012). Therefore, it is likely they perceive that they are underpaid for their level of skill, qualification, and responsibility. This will negatively affect their PSM. We suggest that:-

Hypothesis 2: The relationship between BAME and PSM is partially mediated by employees’ perception of fair pay

Research has shown that a supportive work environment, the degree to which managers value employees’ contribution and care about their well-being, were significantly linked to work motivation (Gillet et al. 2013) and work attitudes such as job satisfaction and organizational commitment (Wang and Xu 2017). Managerial commitment to a supportive work environment can provide basic need satisfaction, such as respect and dignity (Gagne and Deci 2005; Porter and Lawler 1968). This will be particularly important for BAME staff considering the widespread reporting of discrimination, bullying, and racism experienced by BAME workers (Lewis et al. 2011; Mistry et al. 2009; Wood et al. 2013). The initial approach to the negative workplace environment was to look at the manager as a

racist or bully (Branch et al. 2013; Hoel 2013). This narrow view of the issue risks overlooking more wide-ranging accounts that include the bullying behaviour of the dominant workgroup (Lewis and Gunn, 2007), and the role of organizational outsiders (Wood et al., 2013). This also includes the passive behaviour of ‘bystanders’ who witness racism but either tacitly support it or at least fail to report it and refuse to support those on the receiving end (D’Cruz and Noronha 2011). Since managers as agents of the employer exercise power and authority over employees, they have a legal and moral duty to ensure that the workers are respected and free from bullying by management, other colleagues, and service users. Their attitudes towards equality for BAME staff certainly shape the reactions of bystanders. That is to say, that management is the key to a fully recognised “dignity of labour” of this traditionally disadvantaged group. This can reinforce self-worth, and strengthen intrinsic motivation since this is in line with the initial value of PSM (a better community with fairness and justice), this may lead to higher levels of PSM and provides our third hypothesis:-

Hypothesis 3: The relationship between BAME and PSM is partially mediated by employees’ perception of an equal work environment supported by management

Workers are crucial to any appreciation of whether policies actually work out as intended ethically, and the extent to which those involved at all levels are ‘knights’ (interested in others) or ‘knives’ (pursuing their own self-interest) (Le Grand 2003). Management may consciously or unconsciously neglect discrimination raised by BAME staff, and BAME staff may witness negligence when management handles discrimination, racism, and bullying. For example, research shows that HR managers tend to consider a harassment complaint as an excuse to underperform by the victim (Harrington et al. 2012). This lacks support and endeavours to ensure an equal work environment can erode psychological well-being (Gagne and Dec 2005), worsen perception of work-related aspects, such as pay, and deteriorate work attitude. On the other hand, Bright (2005) reported a significant negative relationship between PSM and respondents’ preferences for monetary rewards. When management was positively perceived to make an effort to support an equal work environment for racially-defined and socially-disadvantaged groups, then this can lead to BAME staff downplaying their lower-than-expected pay. We, therefore, suggest that:-

Hypothesis 4: The relationship between BAME and PSM is sequentially mediated by perceived equal work environment and fair pay

Methods

Data collection and participant characteristics

The research was carried out in a stratified sample (by ethnicity) of five local authorities (two in London, two in the Midlands, and one in the North of England). They were chosen both for

accessibility and having a higher than the national average proportion of BAME employees. The survey consisted of a large-scale questionnaire, 15,000 were distributed to all workers in particular departments of these five authorities: social care, housing, and education - as again this permitted the capture of larger numbers of BAME staff. The survey was funded by UNISON, and endorsed by the employer. Anonymity was guaranteed through a reply envelope to the research team.² A total of 2,583 respondents returned their survey, giving a response rate of about 17%. Three of them were dropped due to a large number of missing information. This resulted in a sample of 2,580 respondents, 746 are BAME employees, of which Black (10%), Asian (15%), and mixed and other (4%). Of these valid responses, 31.26% are male, with an average age of 44.06 (SD=10.11) years. The majority of respondents are on a permanent contract (92%), in the union (71%) and work full time (74%) with an average job tenure of 11.28 (SD=6.74) years. In terms of occupation, over half (52%) are professional or managers; 17% are administrators or technicians, and nearly one third (31%) are reported to be doing clerical or manual work.

BAMEs and white respondents have very similar profiles in terms of gender and occupation group (see Table 1), despite this BAME respondents tended to be younger, shorter tenured, and non-union members. They have a lower presence on permanent contracts (89%) than their white counterpart (94%), but they are more likely to work on a full-time basis. BAMEs have a significantly higher presence in the administrative occupation and a lower presence in the clerical and manual work than their white counterparts.

Table 1 is about here

Measures

The survey also collected data on wider employees' attitudes to work (for example, recruitment & selection, training & development, pay & promotion). All of the scales were responded to on a 5-point Likert type scale, the anchors were strongly agreeing (5) and strongly disagree (1). For the purpose of this study, the relevant measurements are presented in Table 2.

Public Service Motivation (PSM) was identified in previous research (Perry et al. 2010; Kim 2015; Vandenberghe 2008) as being linked to a collectivist culture alongside a commitment to implement the public interest. Example items are: 'I am proud to be public service worker'; 'my job is important for the community'; and 'my job allows me to use my skills for the benefit of the public'. A confirmatory factor analysis shows the unidimensionality of the measurement and the mean was used to measure PSM (see Table 2 for details).

² Mike Ironside, Kath Clark, and Roger Seifert

Equal Work Environment (EWE) developed from empirical studies with regard to racial sources of racism at work by line managers, colleagues and service users (Lewis and Gunn, 2007; Wood et al., 2013). These three items are: ‘management are good at preventing discrimination’; ‘management take complaints about bullying seriously’; and ‘management take complaints about racism seriously’. A confirmatory factor analysis shows the unidimensional of the measurement and the mean was used to measure EWE (see Table 2 for details).

Perception of Fair Pay (Fair Pay) is derived from the Equality Act (2010) and measured example items are: ‘my pay is fair compared to other council workers’; ‘I am fairly rewarded for the amount of effort required in my job’; ‘for the amount of skill required in my job’; and ‘for the amount of responsibility involved in my job’. A confirmatory factor analysis shows the unidimensional of the measurement and the mean was used to measure Fair pay (see Table 2 for details). The T-test shows that BAME workers have a significantly higher level of public service motivation on each item, and a lower perception of EWE and Fair pay.

Table 2 about here

Data analysis and Results

The ICC value was calculated to identify whether there is sufficient variance across these five local authorities which will determine whether or not it would be necessary to use a multilevel structural equation model. As the ICC value is less 0.02, which indicates group membership has very little influence on employees’ evaluation on PSM, therefore the group variance is very small (Hox et al. 2010). We, therefore, conducted a traditional structural equation model to test the hypotheses instead of a multilevel structural equation model. In order to examine model fit, Confirmatory Factor Analysis (CFA) using STATA 13 software was employed. In the CFA model, the measurement model fit well with the data ($\chi^2(41) = 316.63$; CFI=0.98; TLI=0.98; RMSEA=0.05.SRMR=0.04). Although the chi-square statistic is significant, this test is very sensitive to a large sample size (more than 200), since we have 2,580 responses, this index is no longer relied upon as a basis for acceptance or rejection (Lance and Vandenberg 2009).

Results

The inter-correlations among main variables are presented in Table 3. As expected, BAME employees were significantly related to other variables measured. A Variance Inflation Factor (VIF) test shows the value is less than 2 (not exceeding the threshold value $VIF > 4$) so multi-collinearity is not a concern for the regression. As with all self-reported data, there is the potential for the occurrence of common method variance. Follow the suggestion by Podsakoff et al. (2003) and (Spector, 2006) and considering the research context of this study, we addressed both procedural and statistical remedies. For the former, respondents were ensured anonymity, questionnaire design was endeavoured to reduce

evaluating apprehension, improve item wording and separate the measurement of the predictor and outcome variables through asking a wide range of questions; in addition, the “cover story” of funded by the UNISON can separate predictors and criterion psychologically of all respondents. For statistical remedy, the study fits in “Situation 7” according to Podsakoff et al. (2003): the study cannot obtain the predictor and criterion variables from different sources, cannot separate the measurement context, and cannot identify the sources of the method bias, a single-common-method-factor approach is sufficient to statistically control for method bias. A Harmon’s single-factor test was conducted. Results from this test suggested the presence of three factors, indicating that common method effects are not a likely contaminant of the results observed in this investigation.

Table 3 is about here

Hypothesis testing

We estimated all path coefficients in the structural model analysis by controlling age, gender, qualification, earnings, union membership and job tenure, the results of which are shown in Table 4. In the analytical model, we followed the guidelines for the two-path mediated model (Lau and Cheung 2012, Hur et al. 2016). Figure 1 demonstrates these models. The hypothesized model offered an acceptable fit to data (CFI=0.96; TLI=0.95; RMSEA=0.05.SRMR=0.03)³. The proposed model could explain 9% of perceived equal work climate, 10% of perception of fair pay, and 15% of the variance in public service motivation among council workers. This is quite good considering the size of the sample.

Table 4 is about here

We conducted four steps to test the hypotheses that employees’ perceived equal work climate and fair pay would fully or partially mediate the relationship between BAME workers and Public Service Motivation. In step 1, we hypothesize that BAME workers have a higher PSM than their white counterparts. It shows that compared with their white colleagues, *ceteris paribus*, BASM staff have an overall 21% higher PSM as shown in the upper part of Figure 1.

To examine the three mediation effects, six paths were examined in the lower figure model. Hypothesis 2 states that perceived fair pay will mediate the path between BAME staff and PSM and this hypothesis is supported ($b = -0.01$, $p < 0.05$). This indicates the lesser impact of pay on the PSM of workers in the public sector. Hypothesis 3 stated that BAME workers and PSM will be mediated by a perceived equal work climate. The

³ $\chi^2(105) = 501.50$, since it is not a good indicator for large sample size (Schlermelleh-Engel et al. 2003, Vandenberg and Grelle 2009), thus not included here.

indirect effect through a perceived EWE is strong ($b = -0.15^{***}$, $p < 0.01$), this supports hypothesis 3. Finally, we estimate the serial multiple mediation effects throughout perceived equal work climate and fair pay, the indirect effect becomes insignificant ($b = 0.00$, $p = n.a$). That is to say, the negative impact of lower pay on PSM disappeared when employees perceive management made effort to ensure an equal work environment since a perceived equal work environment fully mediates the impact of lower pay on PSM. This supports hypothesis 4. In sum, the model confirms the relationship between BAME staff and their PSM which is partially mediated by perceived equal work environment and fair pay. To be specific, those PSM of BAME workers were eroded by both a poor work climate and perceived unfair pay, especially the former since a perceived equal work environment fully mediates the negative impact of lower pay on their PSM.

Figure 1 is about here

Discussion of findings

This study provides theoretical and practical contributions to employee ethical issues in the public sector through the lens of BAME workers in English local government. These findings contribute to our understanding of Public Service Motivation of a traditionally disadvantaged group (Ritz et al. 2016) and add to the debate concerning the lack of ethical treatment of employees at work (Greenwood and Van Buren 2017; Wood, et al. 2013). We empirically examined the mediating effect, ethical treatment, on PSM of this group, and demonstrated the importance of an equal work environment, and we then suggest that the findings will be of interest to HR managers and policymakers who seek to improve the delivery of public services by a diverse workforce under the current political and economic environment.

The findings show that BAME (Asian dominated in this study) employees have a greater PSM derived from a collective Asian culture, which is in line with the historic nature of British rule where public service work was viewed as essential for community survival alongside religious norms of helping others through community institutions (Habyarimana et al. 2009). This finding brings in a new dimension to PSM studies in which minority ethnic groups have been overlooked (Ritz et al. 2016). This has thereby expanded the study of PSM to an increasingly diverse workforce in a multi-cultural organisational context in the UK.

The findings demonstrated that the BAME staff studied had a significantly lower evaluation than white colleagues in terms of perception of fair pay and a management-supported equal work environment. This provides a partial explanation for a generally lower job satisfaction record of ethnic minority workers in the public sector (Giga et al. 2008). It accentuated the implementation issues through emphasising the multivariant sources of discrimination, harassment, and bullying faced by a

traditionally disadvantaged group at work (Lewis and Gunn 2007; Wood et al. 2013) and therefore highlighted management's duty of care given their superior power in the employment relationship. This may explain the failure of equality delivery based on HRM policies and procedures with narrow-minded compliance with the legislation instead of valuing diversity (Shen et al. 2009) or ethically normative (Van Buren 2008). It, therefore, tends to lead the neglectful attitude of management towards reported discrimination, bullying, and racism (Harrington et al. 2012; Mawdsley 2012; Lewis and Gunn 2007). This brings to the fore new aspects of ethical treatment in which we emphasise HR and senior management attitudes toward social outcomes in the public sector, rather than organisational outcomes dominated by the processes of New Public Management (Hood 1991, 1995). The role of senior management teams is seen as crucial to the endorsement of equality at work, rather than HR alone in the extant literature (Andrews and Ashworth 2015; Colquitt and Rodal 2015).

Practical implications

Recruitment and retention problems are emerging in the public sector in the UK following successive years of public pay restraint and waves of job cuts since the 2008 recession and the government-imposed austerity. Bright (2008) reported that minority, young and highly educated workers were significantly more likely to leave their jobs compared with their counterparts who are older, white, and/or less well educated. This will ultimately reduce the quality of the delivery of public services (Cribb et al. 2017). It is therefore important to seek intrinsic motivators to sustain public services. However, PSM has not been fully integrated into the human resource management practices of public organizations (Ritz et al. 2016). BAME employees made up 9.2% of the UK public servants in 2015 (Department for work and pensions, 2016). To sustain the quality of public service, the demand for "the extra mile" from employees is clear (Bolino and Turnley, 2003). Intrinsic motivation, such as PSM, has been empirically found to be positively related to organizational citizen behaviour (Grant 2007; Kim 2015; Rayer et al. 2012; Taylor 2008). It is therefore important to understand the PSM of an increasingly diverse workforce and the mechanism by which their PSM is influenced.

This study shows that the perceived efforts made by management to ensure an equal work environment: no bullying, no discrimination, and no racism, has a motivational effect. More importantly, such perceived endeavour has a compensational effect on perceived lower pay. That is to say when managers were perceived to attempt an equal work environment by making serious efforts to prevent discrimination, bullying, and racism then, and only then, did BAME staff tend to accept that their pay was fair as well.

Limitations and suggestions for future study

BAME employees from across fourteen sectors in the UK are reported to be three times more likely to suffer from institutional discrimination in performance-related pay appraisals in the public sector

(Prospect Union, 2014). This level of discrimination can also be seen in the large pay gap between white and BAME workers in the public sector in London (Bulman and Musaddique 2018). This highlights the deep-rooted institutional discrimination, which in turn shapes systematic management practices towards minority ethnic groups (Brynin and Guveli, 2012; McGregor-Smith Review 2017). Recruitment and promotion panels in the NHS, local government, and higher education were found to be dominated by white males (Healy et al. 2011). Other studies showed that senior management teams frequently failed to acknowledge and act upon race discrimination at work despite the presence of relevant equality policies (Pateet al. 2012), and there still exists a widespread belief among HR and senior managers that accusations of inequality were to disguise a performance-management issue of the likely guilty party (Harrington et al. 2012; Hoel, 2013; Mawdsley, 2012). These studies have shown that internal grievance processes tend to be lengthy and biased in favour of managers with a tendency to cover up and protect managers at the expense of equitable treatment and basic norms of due process and justice. The legitimacy of inequalities may be reproduced at different levels in the organisation due to lack of commitment from the top— a fish stinks from its head, line managers tends to follow the lead of their seniors to ignore or underplay racist allegations. The effectiveness of equality delivery has to take into account the superior power of management in employer-employee relations in the public sector context, which is bound to be a fertile ground to explore. This may include rethinking the unitarist ideology of HR embedded in New Public Management processes (Greenwood and Van Haren, 2017) and the involvement of the third party, such as trade union, to ensure diversity enforcement (Hoel, 2013; Seifert 2018).

Despite a generally low evaluation of work experience, BAME employees still have significantly higher PSM than their white colleagues. This strongly supports the Asian culture influence on the value which they attached to working in the public sector. This may also be due to the desire to secure their status by working for the local authority in their host country (Lewis and Frank 2002; Perry et al. 2010). The current study does not allow us to separate these two factors. It will be interesting to examine other minority ethnic groups in their host countries, for example, Bright (2005) found a negative though an insignificant association between minority status (Hispanic and Latino dominate) with PSM in the USA. It can also examine the second generation of minority ethnic groups, such as UK-born ethnic minority workers and their employment preferences. The UK ethnic minority population was almost 8 million (14% of the population in 2014) (Policy exchange, 2014) and the employment progress of younger British-born BAME workers is bound to be interesting for future study.

Conclusions

This study, by examining the employment experiences of BAME staff in local government, has shown that a strong public service motivation is an asset in the delivery of social justice under the

current political and economic environment. This can, however, be undermined by negative felt-fair pay systems, and can be bolstered by managers' attempts to ensure equal treatment. This is especially the case when ethnic minorities feel that both the employer through policy and regulations, and more importantly managers through practices endeavour to create an equal working environment (free from discrimination, bullying, and racism). So the tensions as between management pressures on pay and work conditions through NPM and staff resistance based on a high level of public service motivation play out, as we have shown, through the differential impact on BAME staff as opposed to their 'white' colleagues. Net worth and value will be added by these employees derived from both prior cultural commitments to public service and sustainable motivation through management's efforts to enforce equality in the workplace.

Compliance with Ethical Standards:

Funding and Author identifying information on the title page that is separate from the manuscripts.

Conflict of Interest: the Author declares that they have no conflict of interest.

Ethical approval: This article does not contain any studies with animals performed by any of the authors.

Ethical approval: All procedures performed in studies involving human participants were in accordance with the ethical standards of the institutional and national research committee and with the 1964 Helsinki declaration and its later amendments or comparable ethical standards.

Informed consent: Informed consent was obtained from all individual participants included in the study.

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Tables

Table 1 T-test between BAME and white workers in the sample

Variables	BAME employee	White-employee	T-value
Personal characteristics			
Age (year)	41(0.3)	45(0.2)	9.49***
Gender	0.32(0.01)	0.31(0.01)	1.00
Permanent contract	0.89(0.00)	0.94(0.01)	3.50***
Union membership	0.66 (0.01)	0.73(0.01)	3.59***
Full time>35 hours	0.79(0.01)	0.71(0.01)	4.41***
Job tenure			
Up to 7 years job tenure	0.48(0.01)	0.39(0.01)	4.31***
More than 7 years job tenure	0.51(0.01)	0.60(0.01)	4.30***
Occupational group			
Clerical and manual	0.27(0.01)	0.32(0.01)	2.23**
Administration and tech	0.21(0.01)	0.16(0.00)	3.17***
Professional and management	0.51(0.02)	0.52(0.01)	0.32
Sample size	746	1834	

Note: *p<0.5; ** p<0.1; ***p<0.01

Table 2 summary of measurement

Variables (1=strongly disagree ; 5 =strongly agree)	Factor loadings	Number of respondents	Skewness	Kurtosis	BAME-employee	White-employee	T-test
Public Service Motivation							
I am proud to be a public service worker	0.52	2531	0	0	3.89	3.73	4.08***
My job is important for the community	0.75	2519	0	0	4.13	4.07	1.81*
My job allows me to use my skills for the benefit of the public	0.79	2525	0	0	4.00	3.87	3.96***
Cronbach's alpha	0.72						
Perception of Equal work environment							
Management is good at preventing discrimination	0.77	2360	0	0.05	2.91	3.30	9.06***
Management takes complaints about bullying seriously	0.81	2210	0	0.13	3.14	3.33	3.88***
Management takes complaints about racism seriously	0.75	2254	0	0	3.25	3.80	12.83***
Cronbach's alpha	0.84						
Perception of fair Pay							
My pay is fair compared to other council workers	0.77	2461	0	0	2.85	3.12	5.35***
I am fairly rewarded for the amount of effort required in my job	0.92	2506	0.39	0	2.63	2.86	4.77***
I am fairly rewarded for the amount of skill required in my job	0.93	2524	0.39	0	2.68	2.84	3.38***
I am fairly rewarded for the amount of responsibility involved in my job	0.90	2519	0.19	0	2.60	2.74	3.04***
Cronbach's alpha	0.91						

Note: *p<0.5; ** p<0.1; ***p<0.01

Table 3 Correlation between main variables

	mean	Mi	Max.	1	2	3	4	5	6	7	8	9	10	
	n.													
1	Public Service Motivation	3.93	1	5	1									
2	Fair Pay	2.88	1	5	0.11**	1								
3	Equal Work Environment	3.37	1	5	0.22**	0.25**	1							
4	BAME	0.29	0	1	0.08**	-0.08**	-0.19**	1						
5	Male	0.31	0	1	-0.05*	-0.11**	-0.02	0.01	1					
6	Age	44	17	71	0.02	-0.00	0.02	-0.18**	0.04*	1				
7	Permanent contract	0.92	0	1	-0.01	-0.00	-0.02	-0.07**	-0.00	0.12**	1			
8	Job tenure	11	0.6	17	-0.04*	-0.03	-0.08**	-0.08**	0.00	0.42**	0.25**	1		
9	Union Membership	0.71	0	1	0.00	-0.01	-0.13**	-0.07**	-0.07**	0.16**	0.23**	0.36**	1	
10	Full timer	0.73	0	1	-0.06**	-0.09**	-0.07**	0.08**	0.25**	-0.08**	0.02	-0.01	-0.01	1
11	Managerial occupation	0.52	0	1	0.17**	-0.00	0.01	-0.00	0.03	-0.03	-0.02	0.00	0.04*	0.17**

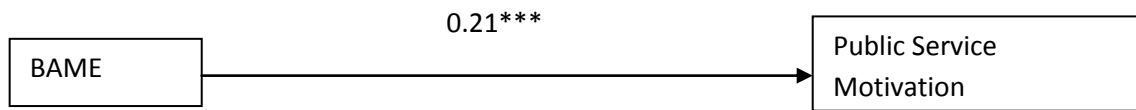
Note: * p<0.05; ** p<0.01

Table 4 Path coefficients and indirect effects for mediation models

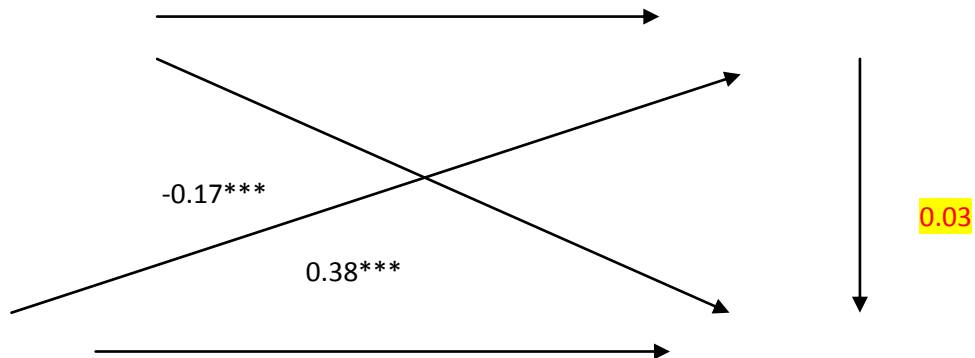
Direct effect		Equal work environment	Fair Pay	PSM
BAME		-0.52***	-0.17***	0.38***
Equal work environment endeavour			0.26***	0.28***
Fair pay				0.03
PSM				
Job tenure	-0.01***	-0.01	-0.01	-0.01
Union member	-0.02	-0.33***	0.07	0.14***
Permanent contract	0.00	0.06	-0.13	-0.05
Full-timer	-0.21***	-0.06	-0.24***	-0.17**
Professional and Managerial jobs	0.47***	0.13**	0.00	0.44***
gender	-0.06	-0.03	-0.16***	-0.07
Age (years)	-0.05**	0.03	0.01	0.05
Indirect effect				
BAME ->Fair pay ->PSM				-0.01**
BAME->Equal work climate->PSM				-0.15***
BAME-> Equal work climate ->Fair pay ->PSM				0
Direct effect				
BAME->PSM				0.38***
Total effect	0.21***			
Total number of responses	2167	2102	1780	1745
R²	Equal work environment			
	9%			
	Perception of fair pay			
	10%			
	Public Service Motivation			
	16%			

Note:* p<0.1; **p<0.05; *** p<0.01

Figure 1 Research model. Notes *p<0.1, **p<0.05, *p<0.01**



Hypothesis 1: BAME->PSM: 0.21***



H2: BAME->Perception of fair pay->PSM: -0.01**

H3: BAME-Equal work climate->PSM:-0.15***

H4: BAME-> Equal work climate->Fair pay-> PSM: 0