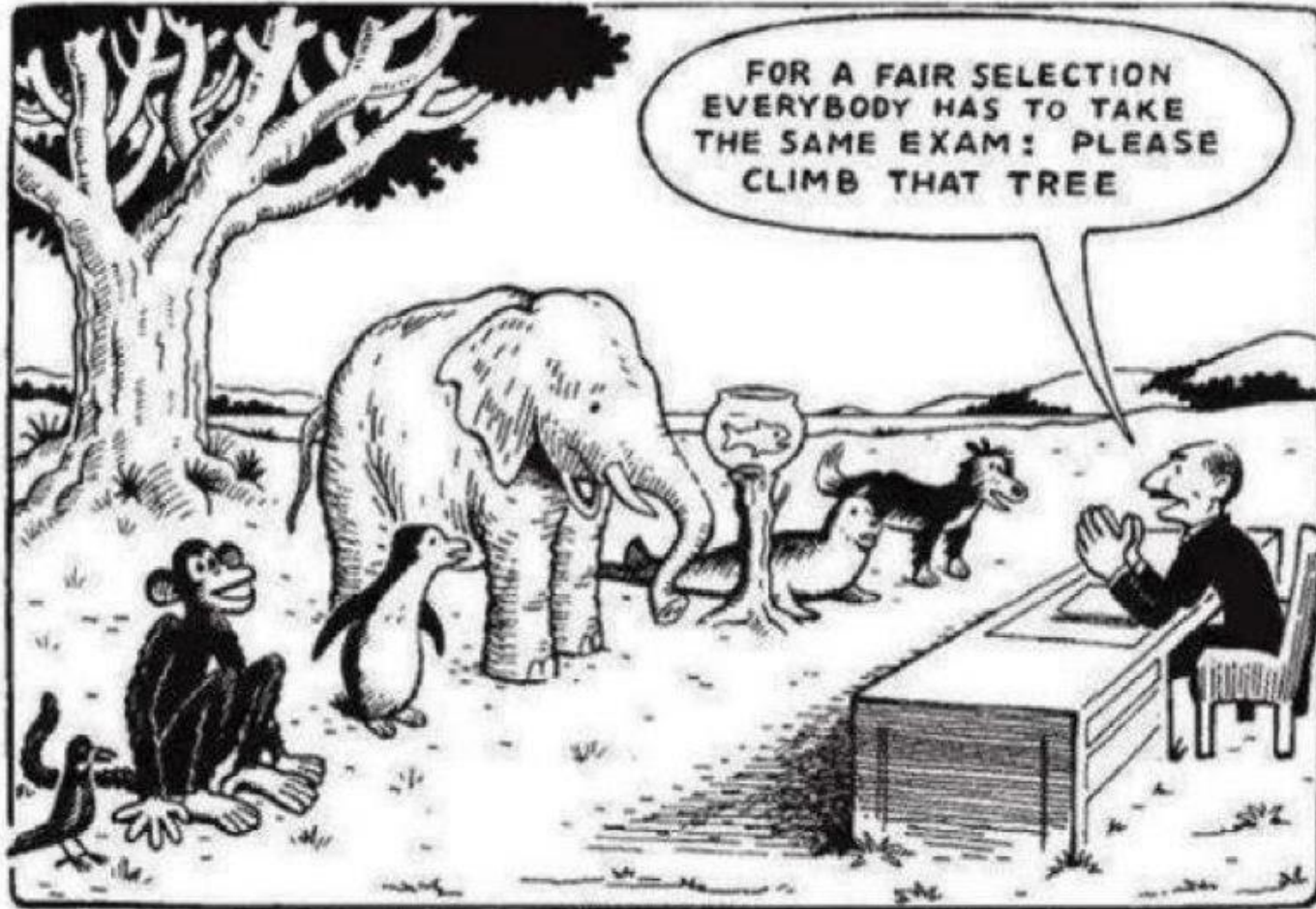
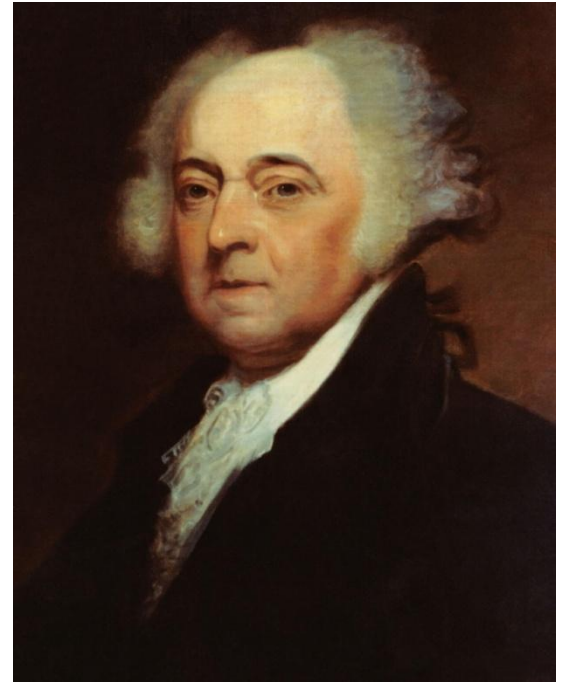


Equity theory



Introduction-con't

- John Stacey Adams
- behavioral psychologist
- 'Give and take affair'

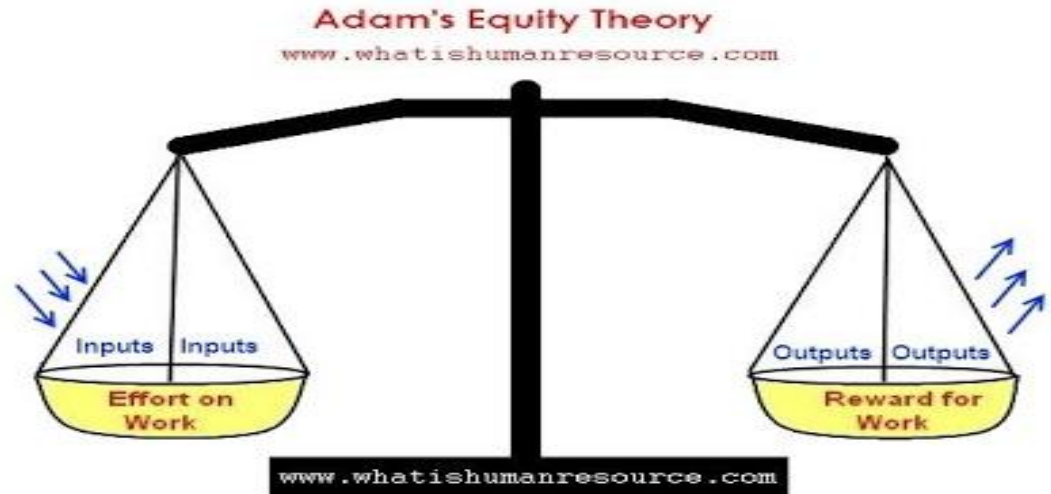


Introduction

- Equity- *fair and being impartial*
- calls for a fair balance to be struck between an employee's inputs (hard work, skill level, tolerance, enthusiasm, and so on) and an employee's outputs (salary, benefits, intangibles such as recognition, and so on)
(https://www.mindtools.com/pages/article/newLDR_96.htm)

Introduction-con't

- Effort.
 - Loyalty.
 - Hard work.
 - Commitment.
 - Skill.
-
- Recognition.
 - Job security.
 - Responsibility.
 - Sense of achievement.
 - Praise.



M.Deutsch's notions about the determinants of the justice value base:

- In cooperative relations in which economic productivity is a primary goal, equity rather than equality or need will be the dominant principle of distributive justice.
- In cooperative relations in which the fostering or maintenance of enjoyable social relations is the common goal, equality will be the dominant principle of distributive justice.
- In cooperative relations in which the fostering of personal development and personal welfare is the common goal, need will be the dominant principle of distributive justice.

Inequity in social exchange

- Relative deprivation – felt injustice:
 - response discrepancy between what is perceived to be and what is perceived should be
- Distributive justice

$$\frac{\text{A's rewards less A's costs}}{\text{A's investments}} = \frac{\text{B's rewards less B's costs}}{\text{B's investments}}$$

● Notes:

- “Justice is a curious mixture of equality within inequality”
(Homans, 1961, p.244)
- The role of mutual perceptions between As and Bs

Inequity in social exchange

- Antecedents of inequity:
 - inputs (recognition and relevance)
 - outcomes (positive/negative valence and recognition and relevance)
- Definition of inequity:

$$\frac{\text{A's outcomes}}{\text{A's inputs}} < \frac{\text{B's outcomes}}{\text{B's inputs}}$$

Inequity in social exchange

- Consequences of inequity, cognitive dissonance approach:
 - the presence of IQ in Person creates tension in him/her
 - this tension will motivate Person to eliminate or reduce it
- Ways to reduce inequity:
 - person altering his inputs
 - person altering his outcomes
 - person distorting his inputs or outcomes cognitively
 - person leaving the field
 - person acting on the other
 - person changing the object of his comparison

Equity, equality, and need as a basis of distributive justice

justice



equity

Morton Deutsch:

- it is a limited perspective and not applied to the noneconomic social relations

Equity, equality, and need as a basis of distributive justice

The sense of injustice. Grounds (M. Deutsch):

- the values underlying the rules governing the distribution (injustice of values)
- the rules which are employed to represent the values (injustice of rules)
- the ways that the rules are implemented (injustice of implementation)
- the way decisions are made about any of the foregoing (injustice of decision-making procedures). **Issue of legitimacy**

References

- Adams, J.S. (1965) Inequality in Social Exchange. In L. Berkowitz (Ed.), *Advances in Experimental Psychology* (pp. 267-299). NY: Academic Press.
- Deutsch, M. (1975). Equity, equality, and need: What determines which value will be used as the basis of distributive justice? *Journal of Social Issues*, 31, 137-149.