Importance of Distributive Justice, Procedural Justice and Fairness in Workplace

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Abstract: Employees are an important asset to any organization. Their dedication, hard work and commitment play a vital part in the success of an organization. If employees are expected to give their best at work and be efficient at the optimum level, then they need to be treated fairly, equally and with respect. The main objective of this research is to study and understand Distributive Justice, Procedural Justice and Fairness at workplace and to study its impact on the efficiency of the employees. Distributive and Procedural Justice have an impact in all kinds of institutions, such as hospitals, educational institutions, factories etc. This study aims to cover all these areas under a single term of “workplace” which applies to all kind of institutions, organizations, corporations, etc. Analytical Research Design has been employed to carry out research in the present study with the help of secondary data. To understand Distributive Justice thoroughly, the researcher has explained different approaches to distributive justice, such as John Rawl’s Theory, Utilitarianism, Egalitarianism and Libertarianism. The four important pillars on which Procedural Justice is based are discussed in this study. The thin line that distinguishes distributive justice from procedural justice has been included in this research. The present study explains the importance of Fair treatment in the workplace and the behavioral attitude of employees towards unfair treatment. The difference between equity and equality in a workplace has been explained in the present study. The implication of distributive justice, procedural justice and fair treatment of employees at workplace has also been discussed by the researcher.

Keywords: Employees, Utilitarianism, Egalitarianism, Libertarianism, Fair Treatment, Equality, Equity.

I. INTRODUCTION

Justice plays an important role in almost every aspect of a person’s life, be it may in society, at the workplace, at home, or anywhere else. In a wider context, justice means actions in compliance with the provisions of law. In a limited context, fairness is perceived as justice (Maiese, 2003). Just and fair treatment of employees at the workplace is referred to as Organizational Justice. It mainly focuses on the employees’ perception of fair treatment by the organization, which impacts the employee’s behavior and attitude at the workplace (Rupp, 2011). Organizational Justice is assumed to be a globally accepted attribute to predict the outcome of employees as well as the organization as a whole.

There are four categories under Organizational Justice: a) Distributive Justice b) Procedural Justice c) Informational Justice and d) Interactional Justice (Xiaofou Pan, Mengyan Chen, Zhichao Hao, Wenfen Bi, 2018). In this study, only 2 types of Organizational Justice i.e., Distributive Justice and Procedural Justice will be discussed.

Distributive Justice refers to the distribution of products within a system (corporation, company, etc.) functioning on a proportional level and people are seen as members of the sections they belong to (Sadurski, 2009). Procedural Justice is defined as an “individual’s perception of fairness of procedural elements within a social system regulates the allocation of resources” (Leventhal, 1980). It focuses on the decision-making processes and the interpretation of whether these processes are fair and transparent. Distributive Justice is concerned with fair distribution, whereas Procedural Justice is concerned with fair play.

Fair treatment at the workplace is a crucial aspect in retaining the trust of employees in a firm, organization or any institution. In a work environment, if the employees are not treated fairly, it can lead to low efficiency, poor performance, toxic relations, jealousy, etc., which may result in immoral conduct or dangerous activities. Employees will start looking for other job opportunities if they are not treated fairly. To establish fairness in a workplace, the employees should be given equal opportunity, transparent procedures, free interaction as well as feedback mechanism that encourages insightful discussions (Spang, 2020). Fairness in a workplace will result in cooperation between the employees, healthy relationship amongst employees and also between employer & employee, strong commitment, increased efficiency, positive outcomes, etc.

II. LITERATURE REVIEW

- Robert Folger and Robert Beis have explained the responsibility of managers to ensure fairness in the decision-making process in their article “Managerial Responsibilities and Procedural Justice”. Managers should take into account the opinions of the employees, and their feedback, justify their actions, communicate with their employees regularly, and should treat every employee fairly and in a civil manner. The authors suggested that embodying ethical standards and fairness in procedural processes is a must in any workplace.

- In the article “The Group Engagement Model: Procedural Justice, Social Identity, and Cooperative Behavior”, Tom Tyler and Steven Blader, with the help of the “group engagement model” have explained that more than distributive justice, procedural justice plays a bigger role in shaping identities of employees at the workplace; and even in procedural justice.
more than fair allocation, quality of treatment of employees has a major impact on the employee's performance.  

- Jason Colquitt & Kate Zipay (2015) in their article “Justice, Fairness, and Employee Reactions” state that justice and equity are among the most prevalent of all the challenges faced by employees in their workplace. Justice signifies the expected compliance to rules in decision-making situations that reflect appropriateness. Whereas, fairness signifies a global interpretation of appropriateness, which is a derivative of justice.

- The article “The Relationship Among Distributive and Procedural Justice and Correctional Life Satisfaction, Burnout, and Turnover Intent: An Exploratory Study” is written by E. G. Lambert, N.L. Hogan, S. Jiang, O. O. Elechi, B. Benjamin, A. Morris, J. M. Laux and P. Dupuy in the year 2010. By conducting a personal survey, they have found that distributive justice and procedural justice have an inverse relation with turnover intent & burnout, whereas, there is a positive relationship between procedural justice and life satisfaction. The findings also show that procedural justice has a greater association as compared to distributive justice.

- Jerald Greenberg conducted a field experiment to analyze the impact of equity in a workplace for his article “Equity and Workplace Status: A Field Experiment”. It was noted that employees assigned to high-level jobs increased their performance and employees assigned to low-level posts decreased their performance, whereas employees reassigned to the same level of post exhibited equal performance.

- In the article “Equity, Equality, and Need: What Determines Which Value Will Be Used as the Basis of Distributive Justice?”, the writer Morton Deutsch has shed light that equity is the basis of justice and equity focuses on the “need” of individuals to bring them equal with others.

- Deloris Wanguri has tried to explain the relationship between diversity in the workplace and perception of inequity in his article “Diversity, Perceptions of Equity, and Communicative Openness in the Workplace”. He has proposed that better communication with the employees and giving them the freedom to voice their opinion as a solution for the problem of inequity at the workplace due to diversity.

- Binod Ghimire (2017) has attempted to investigate the relationship between organizational justice & employees’ organizational commitment in his article “The Relationship of Distributive Justice and Procedural Justice on Organizational Commitment: An Empirical Testing”. The study shows that there is a strong and positive relationship between commitment of an employee and distributive & procedural justice. However, procedural justice has a stronger impact on employees’ commitment than distributive justice.

- In the article “Distributive and Procedural Justice as Predictors of Satisfaction with Personal and Organizational Outcomes”, the writers Dean McFarlin and Paul Sweeney (1992) have found that distributive justice is a better indicator of personal outcome when compared to procedural justice. However, when it comes to organizational outcomes, procedural justice is a better indicator.

- Kaori Fujishiro has discussed the importance of fairness in the workplace in his article “Fairness at Work: Its Impact on Employee Well-Being” with the help of questionnaires and interviews. His research shows that fairness at the workplace does not only impact the performance and attitude of employees but also affects the physical and mental health of employees.

- Theresa Melbourne (1994) in her article “The Role of Distributive and Procedural Justice in Predicting Gainsharing Satisfaction” states that gainsharing initiatives have been introduced in an attempt to promote & reward activities that are recognized as important for organizational success, this is achieved by creating a sense of equality amongst employees by equally dividing the “gains” among employers & employees.

- Joel Brockner has attempted to explain the interaction between procedural and distributive justice in “Understanding the Interaction Between Procedural and Distributive Justice: The Role of Trust”. He has stated that the level of trust individuals has in the allocation of resources forms the basis of procedural justice, which interacts with distributive justice which impacts the reaction and attitude of individuals.

### III. OBJECTIVES OF THE STUDY

- To interpret the role of Distributive & Procedural Justice in the efficient working of employees in a workplace
- To study Rawls’ theory of Distributive Justice and other approaches to Distributive Justice
- To shed light on the pillars of Procedural Justice
- To understand the effect ‘Fairness’ can have in a workplace
- To analyze the differences between equity and equality

### IV. RESEARCH PROBLEM AND STATEMENT

In most workplaces, favoritism, unjust treatment, biased behavior, non-transparent decision-making process exists. These have a negative impact on the employees, their trust and beliefs. Hence, it is necessary to learn the role of Distributive & Procedural Justice and Fairness at the workplace.

### V. RESEARCH METHODOLOGY

#### A. Scope of the Study

The present study is focused on analyzing the already existing information. No survey is conducted to gather people’s insight and experiences, it is solely based on secondary data. This paper is limited to discussing only 2 types of Organisational Justice - Distributive Justice & Procedural Justice, it neither covers Interactional Justice nor Informational Justice.
B. Research Design

The research design used in this research is Analytical Research Design. It focuses on gathering the available information, analyzing it, and making critical evaluations. It enables the researcher to give insights by critical thinking skills & assessment of the collected data.

C. Sources and Methods of Data Collection

The data gathered for the research is from secondary sources, collected from articles, journals, blogs, e-books, internet sources, etc.

D. Method of analysis

The method of analysis chosen for this study is secondary data analysis. In this method of analysis, the secondary data obtained from several secondary sources as mentioned above (articles, journals, e-books, blogs, internet sources) is thoroughly examined and analyzed for the purpose of the research.

VI. DISTRIBUTIVE JUSTICE: DIFFERENT THEORIES AND CONCEPTS

Distributive Justice in a workplace is about fair allocation of available resources to all the employees in a corporation, so that every employee has a fair share of resources to bring beneficial outcomes; this establishes a positive sense of competition among the employees. If there is no distributive justice in the workplace, then the employees feel that they are being treated unfairly, and will start questioning the system which is not treating them equally (Maise, 2003).

John Rawls, who was a renowned political and moral philosopher gave a theory on distributive justice – “Justice as Fairness”, which has been widely discussed. According to him, justice principles will be developed consensus among people who are in “original position”, governing society’s fundamental framework and in “veil of ignorance”, where people are unaware of their position in society, and their own perception of what is good and what is fair. He provided two principles:

a) Every individual has an equal right to a completely satisfactory set of equal liberties, that is suitable for everyone.

b) Inequalities present in social as well as economic aspects are to meet 2 conditions: i) They should provide office & position to everyone with fair and equal opportunity ii) They must be in the best interests of society’s most disadvantaged people (Rawls, 1971).

Apart from Rawls’ theory of justice, there are some other approaches to Distributive Justice. Most notable of those approaches are: i) Utilitarianism ii) Egalitarianism iii) Libertarianism

Several philosophers including Jeremy Bentham & Adam Smith supported Utilitarianism. Utilitarianism advocates welfare maximization. According to this concept, it does not matter if the goods, resources, wealth, income, etc are distributed equally, what matters is the outcome; even if the people are treated unfairly in that process, fair and equal distribution does not hold much value in utilitarianism (Follesdal, 2014).

The Egalitarianism approach focuses on equality, it assesses the basis of distribution and its process. It is described by Elizabeth Anderson as “the positive aim of egalitarian justice is to create a community in which people stand in relation of equality to others”. This approach advocates that every individual needs to be treated equally, given equal opportunities as well as resources, and it is also important that people treat each other as equals as well. Unlike utilitarianism, this approach is not outcome-centric (Knight, 2014).

Libertarianism is considered to be the most controversial approach to distributive justice. Some libertarians uphold the equal liberty principle of Rawls’ theory, where it emphasizes the need of providing basic liberties equally to each and every person. Whereas some of the libertarians are of the opinion that there shouldn’t be any principle that governs resource distribution. As per this approach, distribution is based on choices made by people, this might either result is equal distribution or major inequality (Solum, 2006).

VII. PROCEDURAL JUSTICE AND ITS BASIS

The notion of Procedural Justice was first brought forth by John Thibaut & Laurens Walker. Procedural Justice means the perception of the employees regarding fairness in the organized processes employed in distributing resources, workload as well as benefits in the workplace (Thibaut, Walker, 1975). When the employees feel that the decision-making process at their workplace is not discriminatory, it influences them to do their job with more enthusiasm and hard work which results in positive individual outcomes (Bies, 2005).

Procedural Justice encourages employees’ positive attitude and behavior along with their performance, willingness to follow rules, co-ordination with fellow employees and obedience to orders (Greenberg, 1990). Employees’ perceptions of fairness in decision-making and the mechanisms through which decisions are taken leads them to feel that the company cares about them and is concerned about their well-being (Moorman, Blakely, & Niehoff, 1998).

A study was conducted by Kim and Mauborgne on procedural justice and the effect it has on employees’ emotions. Employees exhibit a high degree of positive cooperation based on commitment & faith when decision-making procedures are considered to be rational by the employees. However, if they feel they are being discriminated against, then they will refuse to comply and follow strategic decisions and will also refuse to co-operate with fellow employees (Kim & Mauborgne, 1998).

There are four pillars, which form the basis of Procedural Justice. They are: Fairness, Transparency, Impartiality and Voice. The decision-makers need to be fair while making decisions and allocating resources; the process through which they make decisions and allocate resources needs to be transparent to the employees and this process needs to be impartial and should treat every employee fairly. The last pillar refers to listening to the opinions and suggestions of the employees to improvise (Bradley& Moe, 2015).
Procedural Justice and Distributive Justice are often confused with each other, as there’s only a thin line that differentiates them. Folger & Konovsky has helped in differentiating between the two by stating that “distributive justice refers to the perceived fairness of the amounts of compensation employees receive; procedural justice refers to the perceived fairness of the means used to determine those amounts.” (Folger & Konovsky, 1989). Distributive justice can predict personal outcomes such as pay satisfaction, whereas, procedural justice is concerned with assessing faith and loyalty in the supervisor. Hence procedural justice is a better indicator of outcomes than distributive justice (McFarlin & Sweeney, 1992).

VIII. IMPORTANCE OF FAIRNESS AT WORKPLACE

Discrimination is a kind of taint that is present in every aspect of our society. People are discriminated against based on their gender, religion, color, place of birth, age, etc. Discrimination at a workplace has a great impact on the physical health, mental health and performance of employees. The most common type of discrimination noticed at the workplace apart from the above-mentioned reasons are: receiving unequal salaries for performing the same job, favoritism, pregnancy, disability, etc. If they are being discriminated against at their workplace then they will try to avoid going to work, which will impact their performance, which will in turn affect the profitability of the organization (Benstead, 2018).

Organizational research has shown that treating workers with fairness has significant advantages for both companies as well as their employees (Cohen-Charash & Spector, 2001). Fairness holds the power to influence the attitude and behaviour of employees, positive as well as negative. Unfair treatment at the workplace might turn the employees’ hostile towards the organisation, which will result in vandalising the office property, stealing, intentionally waste time to avoid working and being productive, leaking confidential information of the organization (Dailey & Kirk, 1992).

To make any workplace fair and just, the role of the supervisor is of utmost importance. For employees, the supervisors are the representatives of the company, organisation or institution. If they treat the employees with fairness, the employees perceive that the organization they are working for is fair. Another aspect that influences the perception of employees regarding fairness at the workplace is how their co-workers are treated and their past experiences (Hollensbe, Khazanchi & Masterson, 2008).

When employees feel that they are being treated fairly, then they will reciprocate and exhibit utmost commitment to their work and strive to bring positive outcomes. Therefore, it is crucial that every employee is treated fairly. When they are treated with fairness, it will build a sense of respect towards the organization and it is also a significant factor in job satisfaction.

IX. EQUITY VS. EQUALITY: ROLE OF EQUITY IN A WORKPLACE

Due to the similarity between the words, people often confuse equity and equality one with the other, but both words have their own, distinct meaning. Equality means treating everyone the same, and each person receives equal resources and opportunities. Whereas equity means considering the situation and circumstances of each person and providing them resources and opportunities accordingly. Understanding the difference between these two words gives a better picture of social, economic and racial justice. Shain Neumeier explains the meaning of equality and equity as “Equality is the idea that because everybody has the same worth, everybody deserves the same treatment. But equity is the idea that everybody has the same worth and therefore they deserve to have treatment they need in order to be their best selves” (Gutoskey, 2020).

Equity is considered as positive discrimination, as it discriminates only to bring the disadvantaged people on par with others. In a workplace, having equity is very important as it ensures that every employee will be treated fairly and will get fair access to all the opportunities, resources and incentives. It creates a favourable working atmosphere for employees as well as employers. Employees will be motivated to excel in their work because of the opportunities provided and will also aspire to thrive because they believe that they will be rewarded proportional to their efforts (Johnson, 2020).

Job equity is the perception of employees on fairness, they tend to give output (productivity, outcome, profit) on the basis of the input (resources, rewards, opportunities) they receive from the employers, more the input from the employers - more the output by the employees, however, if the employees feel that there is no equity in their workplace, they tend to lower their performance level. Equity in the workplace is regarded as a method of matching the efforts of an employee with the reward he receives. (Adams, 1963).

X. DISCUSSION

Any organization, institution, firm or corporation which intends to maintain a healthy environment for their employees, needs to understand the importance of distributive justice, procedural justice, fairness and equity in a workplace.

Distributive Justice in a workplace context means providing every employee a fair number of resources to carry out their work. During the current research, the researcher has come across 3 approaches to distributive justice. 1st approach- Utilitarianism, according to this approach, fair allocation of resources and opportunities does not matter, what matters is, bringing positive outcomes and maximizing welfare in any way possible (Jeremy Bentham, 1970). This approach is contrary to what distributive justice stands for, this approach focuses only on the outcomes that are beneficial to an organization, it completely ignores the fair treatment of employees. 2nd approach – Egalitarianism, this approach focuses mainly on fair allocation of resources & opportunities (Nozick, 1974) to employees, no matter what the outcome is. Though this approach focuses on fair treatment of employees, it side-lines the profitability and outcomes.
For any organization, institution or corporation, profit and positive outcomes play a major role as they are expected to return the money to the investors, shareholders, stakeholders, etc, and to earn money. 3rd approach – Libertarianism, this is a very vague concept, according to this approach, there shouldn’t be any principle to govern the fair distribution of resources and the distribution should be made based on the choices made by the employees. It does not even specify what kind of choices and decisions employees should be allocated resources. Rawls’ Theory (1971) of ‘Justice as Fairness’ is a more reasonable approach to distributive justice. According to him, every individual deserves an equal set of liberties, and inequalities present should be in such a way that it gives fair opportunities to everyone and provide equal opportunities to the disadvantaged people; only such kinds of inequalities can be acceptable. Distributive justice is not singularly about fair treatment or positive outcome, it is to bring positive outcomes through the fair and equal allocation of resources and opportunities to the employees.

Distributive Justice is regarding fairness in the distribution of resources, whereas Procedural Justice is with regards to fairness in the process of distributing resources and opportunities; it focuses on the decision-making process. If the employees feel that the way resources, opportunities, promotions and bonuses are being provided to them is fair, they develop a sense of commitment and loyalty towards their employers, they will also co-operate and abide by the rules; a similar interpretation was made by Blader & Tyler (2005). The decision-making process should be transparent so that the employees know that they are being treated fairly and understand on what basis the distribution is made and the thought process behind it. To understand the perspective of the employees regarding the decision-making processes and if they feel that those processes are fair, the employees should be given an opportunity to voice their opinions and suggestions.

The question of whether employees are being treated fairly or not arises mainly in private jobs, because in government jobs, the employees are equally provided with resources, bonuses, sick leave, etc by the government and promotions are based on seniority. When employees are treated fairly, they develop trust and respect towards the managers, supervisors or employers, and will work hard to bring the desired results (Folger & Konovsky, 1989). Fair treatment of employees also leads to job satisfaction, they feel happy and comfortable with where they work. However, if employees are not treated fairly employers or managers show favouritism towards some employees, then other employees feel disheartened, they will feel that they are being treated less than others, or that they are not doing something right and due to lack of satisfaction, they will start searching for new jobs. Employee retention is difficult when there is no fairness in a workplace.

In the present society, everyone strives for equality, but equality & equity are not one and the same. Equality is treating everyone the same, irrespective of their needs, whereas equity means people are treated based on their needs and requirements. For example, 2 individuals, in which one of them is blind, are participating in a reading competition and both of them are given the same regular book, this is equality. However, if the blind person is given the same book in braille version, then it is equity. In a workplace, equity plays a very important role, if the employees are being treated equitably, then it will increase their output, this theory was proved by Adams (1963). If they feel that their employer, manager or supervisor is being considerate towards their needs, then they will work harder and tend to bring as much profit as possible.

XI. FINDINGS/ RESULTS OF THE STUDY

➢ Distributive Justice is fair allocation of resources and opportunities.
➢ Utilitarianism approach is mainly focused on outcome/wealth maximization.
➢ Egalitarianism approach is centred on equal treatment.
➢ Libertarianism approach is based on the choices made by the individuals
➢ Procedural Justice is the perception of employees regarding fairness in the decision-making process by which resources are allocated.
➢ Distributive justice is a better indicator of personal outcomes.
➢ Procedural justice is a better indicator of organizational outcomes.
➢ Fairness positively impacts attitude of employees towards the organisation, it influences them to work hard and give good results.
➢ When the employees are treated with equity, their output will be almost proportional to the input by the organisation.

XII. CONCLUSION

Distributive Justice is a necessity in any work place because it is not reasonable to provide some employees with more resources and some employees with less resources and expect them to give same profitable results. The decision-making process to allocate these resources needs to be fair so as to incorporate Procedural Justice in an organization, it builds the trust of employees on the organization, when they feel that they are being treated fairly. It is not only important to provide every employee equal number of resources, but also to provide resources based on their needs & situation, because that is necessary for disadvantaged employees to perform and compete with the other employees. Fairness is the basis of Distributive Justice, Procedural Justice as well as Equity. Employee retention, their job satisfaction, productivity, outcome and loyalty depend on the fair treatment they receive from the organization.

REFERENCES


**AUTHORS PROFILE**

Shruti Mulgund is a law student pursuing BBA LLB in Symbiosis Law School Hyderabad. She has published papers in National and International Journals. She has done fieldwork in an NGO for the disabled. She has interned under High Court lawyers as well as in firms.