EQUALLY OR EQUITABLY—HOW SHOULD MANAGERS TREAT THEIR TEAM MEMBERS?

Paradoxically, both! Signifying that implementing Human Resource Management is a managerial challenge that has to consider the contrasting notions of uniformity and individuality, asserts Prof Na Fu of Trinity Business School at Trinity College Dublin in her article with Prof Patrick Flood of Dublin City University, Professor Denise Rousseau of Carnegie Mellon University, and Professor Tim Morris of University of Oxford.

THE CONTRIBUTION of employees is a key to achieve sustainable competitive organizational advantage. As such, it is important to effectively manage human resources to achieve long-term organisational goals. How this is done can be assessed at three levels of Human Resource Management (HRM). These levels are intended, actual, and perceived HRM.

Intended HRM refers to the HR system(s) or practices that the firm’s executives seek to establish in order to increase firm performance. Its importance has been proven by well-established research on the link between HRM systems such as high-performance work systems, high-commitment work practices and firm performance. However, actions speak...
louder than words—bringing us to witness what really goes on when intended HRM is put into practice—actual HRM.

As such, actual HRM is concerned with how managers practically execute HRM in their daily interactions and dealings with their assigns. It begs questions from managers along the lines of which HRM practices they implement and from employees as to whether they believe that their managers treat them fairly.

**SETTING THE STAGE**

To better evaluate these realities in implementing HRM practices, Prof Na Fu and her fellow researchers partnered with 60 teams of a global consulting firm situated in at least three continents. The researchers studied the impact of reporting managers’ HRM implementation in terms of their subordinates’ job performance, measured both objectively and subjectively.

So, how are these HRM practices put into effect? What is their effect on individual performance?

**TUG OF WAR**

The results were startling. To answer these questions, there are two contradictory notions—consistence or equality and individual responsiveness or equity—that need to be considered. The first deals with the concept of uniformity, similarity, and equal treatment—key elements of procedural justice. As such, it means that managers treat everyone equally in terms of collective needs and concerns.

In order to properly execute this approach, managers need to be consistent with how they actually do things. This consistency should reflect in such activities as personnel recruitment, informational flows about trainings, and provision of developmental feedback. Consistency provides team members with a clear, coherent, and fair message regarding the organisation’s values, systems, and expectations. As such, it leads to increased motivation and involvement, and consequently, better performance.

On the other side is the contrasting concept of equity—reflective of the idea of distributive justice—which focuses on the substantive rather than on the procedural. It lays stress on the value of taking a person’s contributions into account when giving rewards. In practice, it means a manager is to treat subordinates in a manner that reflects what they bring to the table in order to motivate them and keep them there.

Taking this idea of equity into consideration is important because being different is the one commonality that people share. Not taking these differences into account can cause employees to feel undervalued and bereft of managerial support. The impact of equity on performance is further supported by theory, which proposes that team members are motivated to demonstrate positive attitudes and behaviours when they perceive that their manager values their contributions.

**THE BALANCING ACT**

Reconciling these two views requires managers to harness the potential of their delegates in a way that takes into account disparities in expectations, capabilities, and contributions that arise out of such basic differences as gender, personality, education and work experience. Moreover, the individual responsiveness approach is beneficial as it can consider, within its ambit, the varied responsibilities that different people execute in their daily activities. And the need for different types of support.

Simultaneously, a manager has to ensure that this uniqueness is not singularly practiced – it should be unique in responding to each individual rather than being unique for a select few. As such, individual responsiveness has to be consistently applied to avoid perceptions of favouritism. This perception of fairness that the manager consistently creates in the workspace provides a foundation for viewing individual responsiveness as an acceptable and just system. Considering how important both consistency and individual responsiveness are to improved job performance, managers are faced with a Herculean task—implementing bespoke HRM practices for everyone.

**WALK THE TALK**

Now that it has been established that the intent of a manager in applying HRM practices has to be ‘equally individualistic’ in her/his interactions with subordinates, it is imperative to transform this intent into action.

To this end, organisations can establish practices that promote both equality and equity. For example, managers in such organisations could share information about trainings and
career advancement opportunities with all members of the team. But, when making a decision as to who attends such trainings, managers could consider individual contributions or how a particular employee may gain from them. Another way is for a manager to solicit everyone’s participation in meetings but to give more weightage to contributions of those who have more experience. Moreover, managers could balance consistency and individual responsiveness when they decide criteria for granting such special privileges as flexible working hours based on serious need or individual performance.

As such, organisations first need to improve the effectivity of managers in boosting their junior colleagues’ performances. This could be done by providing managers—who are generally recruited for their subject-matter expertise rather than HR acumen—with support from senior executives and HR professionals. By properly managing these contradictory positions of equality and equity, organisations can reap synergetic benefits of both, boost individual performance and simultaneously achieve organisational goals.

COMPANIES CAN ACHIEVE SUSTAINABLE COMPETITIVE ORGANISATIONAL ADVANTAGE THROUGH THEIR EMPLOYEES AND EFFECTIVE HR IS KEY. HRM POLICY CAN BE ASSESSED AT 3 LEVELS: INTENDED, ACTUAL, AND PERCEIVED HRM.

INTENDED HRM REFERS TO THE HR SYSTEM(S) OR PRACTICES THAT THE FIRM’S EXECUTIVES SEEK TO ESTABLISH IN ORDER TO INCREASE FIRM PERFORMANCE.

ACTUAL HRM IS CONCERNED WITH HOW MANAGERS PRACTICALLY EXECUTE HRM IN THEIR DAILY INTERACTIONS AND DEALINGS WITH THEIR ASSIGNS.

THIS INVOLVES MANAGERS DECIDING WHICH PRACTICES TO IMPLEMENT AND FOR EMPLOYEES TO GAUGE IF THEIR MANAGERS TREAT THEM FAIRLY.

MANAGERS ARE JUDGED ON CONSISTENCY – PROVIDING TEAM MEMBERS WITH A CLEAR, COHERENT, AND FAIR MESSAGE REGARDING THE ORGANISATION’S VALUES, SYSTEMS, AND EXPECTATIONS - WHICH LEADS TO INCREASED MOTIVATION, INVOLVEMENT BETTER PERFORMANCE.

EQUITY EMPHASISES THE VALUE OF TAKING A PERSON’S CONTRIBUTIONS INTO ACCOUNT BY GIVING REWARDS AS WELL AS ATTENTION. IN PRACTICE, IT MEANS A MANAGER IS TO TREAT SUBORDINATES IN A MANNER THAT REFLECTS WHAT THEY BRING TO THE TABLE IN ORDER TO MOTIVATE THEM AND KEEP THEM THERE.

EQUITY IS IMPORTANT BECAUSE BEING DIFFERENT IS THE ONE COMMONALITY THAT PEOPLE SHARE. NOT TAKING THESE DIFFERENCES INTO ACCOUNT CAN CAUSE EMPLOYEES TO FEEL UNDERVALUED AND BEREF OF MANAGERIAL SUPPORT.

THE IMPACT OF EQUITY: TEAM MEMBERS ARE MOTIVATED TO DEMONSTRATEPOSITIVE ATTITUDES AND BEHAVIOURS WHEN THEY PERCEIVE THAT THEIR MANAGER VALUES THEIR CONTRIBUTIONS.

RECONCILING THE NOTIONS OF CONSISTENCY AND EQUITY REQUIRES MANAGERS TO HARNESS THE POTENTIAL OF THEIR TEAM BY TAKING INTO ACCOUNT DISPARITIES IN EXPECTATIONS, CAPABILITIES, AND CONTRIBUTIONS ARISING FROM DIFFERENCES AS GENDER, PERSONALITY, EDUCATION AND WORK EXPERIENCE.

A MANAGER HAS TO ENSURE THAT SHE/HE SHOULD BE UNIQUE IN RESPONDING TO EACH INDIVIDUAL RATHER THAN BEING UNIQUE FOR A SELECT FEW.

INDIVIDUAL RESPONSIVENESS HAS TO BE CONSISTENTLY APPLIED TO AVOID PERCEPTIONS OF FAVOURITISM.
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