The Equity Theory of Motivation deals with the way people compare the value of themselves to others in similar work situations based on their inputs and outputs. Inputs are what you bring to the situation, like your skills, time and education. Outputs are everything you get in return, like your salary, bonuses, raises and promotions. The theory assumes that people’s motivation in an organization is based on the desire to be treated equally and fairly. When the output/input ratio is viewed as equivalent then equity is perceived as attained, there is not much motivation to change the situation.

When inputs are less like amount of work or time spent working, but the output of pay is higher there is a perceived inequity in the situation. Inequities occur when the output/input ratio is not equivalent to the comparison person. Inequities motivate the employee to try to achieve equality. When an employee feels there is inequality they can do many things to reduce their inequity. They can increase or decrease their inputs or outputs, leave, distort their own or the others input or outcomes, or just change the comparison person.

At my last job I was hired directly from college along with 3 other graduates from different schools that had comparable backgrounds. We all started out with the same salaries, two on one team and two on another team. As the year came to a close evaluations and raises were conducted throughout the organization. I felt that I would receive a raise that was of the same amount as my other colleagues. I came to find out that my raise was 0.5% less than two of the other recent college grads. I felt offended and tried evaluating what the differences between us were. First I distorted my view of their work. They were working on new projects and had been putting in some extra time to keep up. Though if I had been given a new project I may have put in extra time also. I
then started to try to make up for the inequity by decreasing my inputs. I began to come into work later and leave earlier. I felt that this was justified since I was not making what I thought I should have been making. This made me feel as though I was more on an equal level and would justify my lower salary.

I used distorting the other’s inputs and outputs and decreasing my inputs to reduce my feelings of offense and tension created by the unequal situation. After a couple of months that I began looking for a new job since I still did not feel as though my work was appreciated. I left the company a couple months later. The equity theory of motivation is a pretty powerful motivation, if people do not feel they are being treated fairly they have to deal with it in some way to bring the comparison back to equilibrium.