

**Video Transcript: “Perceptions of Fairness, Justice, and Trust”**

<https://youtu.be/U4m5jxF0XHA>

**SPEAKER\_1:** Perception and perceptual processes play a major role in how people feel about fairness, justice, and trust.

The term organizational fairness refers to employees' perceptions of organizational events, policies, and practices as being fair or not fair.

Why should you care about fairness? You should care because perceptions of fairness affect a wide variety of employee attitudes and behaviors, including satisfaction, commitment, trust, and turnover. A number of negative behaviors can result from perceptions of unfairness including theft, sabotage, and other unethical behaviors. Perceived unfairness also increases the chances that employees will file lawsuits against their employers. Most of these outcomes of fairness perceptions can have an obvious economic impact on organizations.

As a manager, it's critical to remember that it's insufficient to just be fair. You must also be perceived as fair by your subordinates. Perceptions are what drive responses and subordinates' attributions and interpretations of your behavior and decisions may not reflect your intentions of your own beliefs.

We think of fairness in three main ways. Let's take a look. Distributive fairness refers to the perceived fairness of the outcome received, including resource distributions, promotions, hiring and lay-off decisions, and raises. Imagine that you and a friend both apply for a job with a local company at the same time. Although you believe you are more qualified, your friend is offered the job and you are not. Would that feel fair? Your belief about fairness of you not getting the job reflects your perception of distributive fairness. Distributive fairness relates only to the outcome received not to the fairness of the process that generated the decision.

A fair process is as important as a fair outcome. Procedural fairness addresses the fairness of the procedures or processes used to generate that outcome. What rules were followed? What people had the opportunity to express opinions and influence the outcome? And so on.

Interactional fairness is whether the amount of information about the decision and the process was adequate, and the perceived fairness of the interpersonal treatment and explanations received during the decision-making process. Does an employee who did not receive a fair performance bonus feel the supervisor adequately explained the reason? When we assess undesirable outcomes, how we are treated can be just as important as the outcomes we receive. It's difficult to give our best effort to someone who treats us rudely or disrespects us. Deception and abusive words or actions can be seen as having low interactional fairness.

One of the most important outcomes of consistently treating others fairly is trust. Trust is the expectation that another person will not act to take advantage of us, regardless of our ability to monitor or control them.