

Treating your employees fairly boosts their flourishing and performance – unless they are money-motivated

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Treating your employees fairly at work will ensure they flourish, thus boosting the team's performance, according to new research by emlyon business school.

However, this is not the case with team members who are money-motivated, and fair treatment actually doesn't have any positive impact on their performance, the researchers say.

These findings come from research by Thierry Nadisic, Professor of Organisational Behaviour at emlyon business school, France, alongside his colleagues, Professor Russell Cropanzano from the University of Colorado, Professor Jessica F. Kirk from the University of Memphis, and Rébecca Shankland from Grenoble Ecole de Management, France.

The researchers wanted to understand whether organisational justice – policies and managerial practices that ensure that employees are treated fairly – had an impact on each employee's ability to flourish within their roles.

To do so, the researchers administered questionnaires to over 1,000 people that matched the demographics of the French population – in terms of gender, age, region, and social and professional background.

They asked them questions about whether they feel confident and capable, their behaviours at work, their level of materialism, and if they felt they're fairly treated at work.

From this, the researchers found that participants who believed they were treated fairly within work were much more likely to flourish within their position. Feeling that they were fairly treated (i.e. that they receive fair wages, are recognised, can express their views and are treated with respect and empathy), motivated them to actively pursue common goals and work collaboratively and effectively to do so.

This fair environment also meant that employees were more likely to support and help each other, as opposed to focusing purely only on themselves – likely due to the fairness creating a more secure, respectful and team-focused environment, rather than competitive and individualistic, which fostered performance.

However, the researchers did find that employee's that care more about personal benefits such as money, social status, and self-image are less likely to thrive in a fair work environment. Those who are more materialistic are less sensitive to justice when compared to employees who value these outcomes less.

"It's always been the assumption that a fair environment in work is a 'win-win' for organisations, who are able to help all employees flourish as well as getting the best out of them", says Professor Thierry Nadisic.

"However, our research shows that this assumption may not always come true. In fact, when people are more materialistic or money-motivated, this approach could not actually get the best out of all

employees.

However, the researchers say that using extrinsic and individual rewards to motivate materialistic employees may even have more adverse consequences on companies themselves, and is therefore not a good alternative.

These individuals may indeed wish to have greater relative rewards and status whatever the level of their contributions - which can be damaging to the wider team. Emphasis on extrinsic rewards can also motivate people to engage in non-ethical behaviours that can be damageable for the company since they send the signal that the ends justify the means.

Materialism seems to be something of a “lose-lose” tragedy: materialistic employees are less pleased with their lives and may even harm work organisations when one tries to appease them by giving them what they ask.

It is therefore important for companies to go on focusing on creating fair company and team environments and try to diminish the level of materialism of their employees by using adapted recruiting, training, rewards and management policies and practices.”

If you would be interested in receiving the full research paper, or speaking to the researchers, please contact Peter Remon at BlueSky Education – peter@bluesky-pr.com +44 (0) 77 235 228 30.