

Abstract

Based on Adams' equity principle, this study examined how inequity as derived from (a) comparing one's past and present inputs and outcomes, and (b) comparing self vs other's inputs and outcomes affect employees' attitudes and performances at work. A survey on 166 non-piece rate workers showed that employees experiencing inequity resulted in a higher intention to turnover and absent, and lower job satisfaction. The effect of inequity due to past vs present comparison was stronger than that due to self-other comparison, especially on job satisfaction and income instrumentality belief.