

What is equity theory? Why do organizational leaders and the human resources department have to pay close attention to this?

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Abstract

Misguided feeling of imbalance, creating tattle, bits of gossip, concealed resistance of the organization and so forth with the mystery of earnings the staff is dependably there. It is conceivable adequately apply the hypothesis of equity in the act of human resource management to set up and legitimize the rule of straightforwardness in work inspiration. Hypothesis of equity is connected in unraveling clashes in the motivating force framework. The estimation of various types of work expenses is singular. Enthusiasm for expanding their capability does not emerge when the staff reliably connected. It will be seen by others as a lessening of work expenses. This hypothesis is totally vital in the exercises of managers and employees of HR divisions.

with the principle of justice makes people psychological imbalance and tension of the nervous system, resulting in reduced labor costs for the establishment of equilibrium, so as to go by increasing the reward for the person is always more difficult technically (Carrell, &Dittrich, 1978). False sense of imbalance, generating gossip, rumors, hidden resistance of

Motivational theory of justice has been formulated P. Goodman, for the first time and then developed and supplemented by S. Adams in the early 1970th (Mahoney, 2013). Its meaning is that the basis of motivation is a fair reward.

The essence of the theory of justice is as follows. Failure to comply

and then he feels a sense of shame towards the head. He will be motivated to perform better next time then, that the level of remuneration on a par effort spent.

It is possible effectively apply the theory of justice in the practice of human resource management to establish and justify the principle of transparency in work motivation (Cholakova, &Clarysse, 2015). The hidden nature of earnings is one of the main criteria for indirect low professional competence of heads of the organization or the temporary nature of its existence.

Theory of justice is applied in solving conflicts in the incentive system. The weaknesses of the concept Goodman include such facts as: difficulties likely to consistently applied with intangible rewards, the volume of which is difficult to quantify (Huseman, Hatfield, & Miles, 1987). Also, it almost does not account for the

the administration and the like with the "mystery of earnings," the staff is always there. This is typical of the staff to explain the presence of subjective imbalance on such differences as gender, nationality, religion, age, physique, appearance, intimate relationship with the head and so on (Mourik, 2010). This causes conflicts and reduces productivity.

It argues that the individual subjectively determines the ratio obtained reward to effort spent. Then the individual relates this with reward others who perform similar work. If imbalance and injustice manifested in comparison, that person believes that another individual has received higher pay for the same work, then he has a psychological tension. As a result, it is necessary to motivate this person to remove tension and restore justice, zrivnyavshy imbalance. The situation is also possible when compensation exceeds the effort spent to achieve it,

The highest art is to thoroughly understand the head of a man, to understand what he loves, because, oddly enough, most people have no idea as to which kind of activities they are more likely and what is their special gift. For example, when a person does what he likes, he was pleased and happy, and if all is calm, joyful and welcoming, it creates a special atmosphere in the company.

The task of each manager is to create incentives for employees to work more and better, with motivation, referring to the mental state of a person determines the basis of its behavior, creates barriers limiting behavior.

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Does the Possibility to Make
Equity Investments in

Crowdfunding Projects Crowd Out
Reward-Based

qualification and intellectual inequality of workers, as subjectively perceived labor costs are always staff on the basis of estimates of time spent on the person carrying out such tasks. The value of different forms of labor costs is individual (Lin, 2014). For example a person with a good education, find it more important cost factor than practical experience, and vice versa. Interest in increasing their qualification

does not arise when the staff consistently applied. It will be perceived by others as a reduction of labor costs.

This theory is absolutely necessary in the activities of managers and employees of HR departments.

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