

## Summary

# The Effect of Effort/Ability Based Contributions and In-group Membership on the Perceived Fairness of Positive and Negative Outcomes

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For decades, social psychologists have been interested in identifying to what extent individuals perceive their share fair and the principles and factors involved in this evaluation (Akgün, 2004; Deutsch, 1975, 1985; Lamm & Schwinger, 1980; Sabbagh & Schmitt, 1998; Scott, Matland, Michelbach, & Bornstein, 2001; Şahin, 2006). Research on this subject in social psychology are carried out under the title of distributional justice. Although the first researchers studying distributional justice assumed that the same processes were underlying the fairness perception in relation to distribution of both rewards and costs (Kayser and Lamm, 1980; Lamm and Kayser, 1978), in the forthcoming years the researchers suggested that they might be different (Sabbagh ve Schmitt, 1998; Törblom ve Ahlin, 1998). The findings of the studies on these two different views did not reveal a robust conclusion supporting either of them (Kayser and Lamm, 1980; Lamm and Kayser, 1978; Lamm, Kayser and Schanz, 1983; Şahin, 2003). In addition, there were inconsistencies in the answers to questions such as whether individuals show in-group bias when distributing also the costs, and whether the person who contributes to a positive or a negative outcome through her/his effort or talent belongs to an in-group or an out-group would lead to a change in preferences regarding the distribution of justice (Mummendey et al., 1992; Otten and Mummendey, 1999; Şahin, 2003).

Therefore, further research is needed on the processes underlying the perceptions of fairness regarding allocation of positive and negative outcomes. In this study, it is aimed to examine the factors that play a role in whether or not the allocation decision is perceived as fair. In this context, the principle of resource allocation (equality, equity), the nature of the allocation (reward, cost), the type of contribution (effort, ability) and the

group membership of the person who is distributed (in-group, out-group) are examined.

### Resource allocation principles

Studies on distributional justice revealed that different principles of resource allocation are employed; people use three different principles during the allocation of resources: equality, equity, and need (Deutsch, 1975; Leventhal, 1976). In the scope of this paper, equality and equity will be examined. The *equity principle* requires to allocate a resource based on one's contribution (Adams, 1965; Homans, 1961). In other words, the individual who contributes more should receive the reward more, and pay less cost. On the other hand, the equality principle requires equal distribution of awards and costs. According to this principle, all shares should be allocated equal, regardless of the contribution of individuals (Leventhal, 1976; Schwinger, 1986).

### The nature of the allocation: Reward and Cost

In the initial studies on distributional justice, fairness perceptions about the distribution of rewards were examined, but the distribution of costs was ignored with the assumption that the same processes were the basis of the perceptions about the allocation of positive and negative outcomes. However, further studies revealed different processes playing role in distribution of rewards and costs. For example, researchers found that in the case of positive outcomes, the equity principle is perceived as more fair than the equality principle, whereas in the case of negative outcomes equality principle is preferred (Brickman, Folger, Goode and Schul, 1981; Elster, 1989; Goodwin, 1992; Kayser and Lamm, 1980; Törblom and Jonsson, 1985).

### **The type of contribution: Effort and Ability**

The research carried out by Kayser and Lamm (1980) showed that when the outcome is positive and when people contribute with different levels of effort, the equity principle is perceived as more fair. When people contribute with different levels of ability, then the equality principle is more preferred. On the other hand, when the outcome is negative regardless of the type of contribution, people find it appropriate to distribute the cost according to the equality principle. That is to say, when the positive outcome is concerned, the distribution of the reward is made in accordance with either the equality or the equity principle, but when the outcome is negative, people perceive fair to allocate the cost according to the equality principle only.

### **In-group and Out-group membership**

Research has shown that individuals tend to have in-group bias in the distribution of rewards (Aberson, Healy, & Romero, 2000; Brewer, 1979; Mullen, Brown & Smith, 1992; Tajfel, Billig, Bundy & Flament, 1971). However, a group of researchers suggests that in-group bias observed in the distribution of positive outcomes (eg., reward, money) does not involve the allocation of negative outcomes (eg., costs, exclusionary behaviors) (Mummendey et al., 1992; Otten and Mummendey, 1999). According to Otten and Mummendey (1999), when positive outcomes are concerned, individuals favor members of their in-group and give more shares to the ones in their group. However, in the case of negative outcomes, no distinction is made between the groups and the cost is evenly distributed to in-group members and out-group members.

In summary, in this study, the role of contribution type (talent / effort), the nature of allocation (reward / cost) and group membership (internal-group / external-group) in distributional justice has been examined.

### **Method**

160 university students (144 women; 416 men) in Ankara participated in the study. Participants were randomly assigned one of the 8 experimental conditions. Based on their condition participants read a vignette and answered the questions. In these vignettes, two successful or unsuccessful students are preparing a project together. One of these two students is in-group of the participant (i.e., student of the same university) and the other is an out-group member (i.e., student of another university) and contributes more or less to the result due to the ability (or lack of ability) or effort (or lack of effort). Participants were asked to share the reward or the cost between two students, and then they were asked to

rate the degree of fairness of the distribution of equal outcomes.

### **Results**

The results revealed that when the contribution type is effort, participants allocated both the rewards and the costs according to equity norm. When the contribution type is ability, participants allocated costs equally. However, when the target person who contributed more with a higher ability is in-group member, the reward is distributed proportionally; while the person is out-group member, the reward is equally distributed. The equal distribution is judged to be fairer by the participants when the contribution type is ability rather than effort; when the outcome is cost rather than reward; and when the person who contributed more is out-group member rather than in-group member.

### **Discussion**

Results showed that when an in-group member display more effort, people are likely to allocate more positive resource to this in-group member than the out-group member. Similarly, when an out-group member display more effort, people are likely to allocate more positive resource to out-group member than the in-group member. From this point of view, in the case of reward, it is preferred to give more to the person who display more effort, regardless their group membership. In other words, in the case of effort, distribution of rewards according to contribution is more preferable.

When we look at the literature on distributional justice, it is suggested that individuals tend to have a fairness perception according to the contribution level, in the cases where any outcome is reached by an effort (Furby, 1986; Tyler and Smith, 1998). In this regards, finding of this study is consistent with the literature. The fact that the effort as a type of contribution plays such a dominant role in the distribution decision, the ineffectiveness of group membership can be attributed to the importance of the burden of responsibility. According to Weiner's theory of attribution (Weiner, Jones, Kanouse, Kelley, Nisbett, & Valins 1971; Weiner, 1979), people perceive the effort as under one's own control. In essence, previous research demonstrated that the effort is considered important and rewarded in the attribution of successes and failures (Weiner and Kukla, 1970; Weiner, 1979; 1985; 1986; 1995). Therefore, in case of difference in the level of effort, the findings are consistent with the existing literature.

Results also revealed the same pattern for the ability contribution. In other words, participants applied

equity principles when allocating rewards in the ability condition, similar to effort condition. This finding is inconsistent with the previous studies finding that when the contribution is in relation to talent, people are likely to prefer equal distribution (Lamm and Kayser, 1978; Kayser and Lamm, 1980; Lamm, Kayser, Schanz, 1983; Şahin, 2003).

In summary, this study revealed that there are similar processes on the basis of fairness perceptions of the reward and cost distributions; people do not display in-group favoritism when allocating the negative outcomes; when an in-group member contributes more through her/his talent, the reward is allocated based on the equity principle, whereas it is an out-group member, the reward is allocated based on the equality principle, which is the only condition demonstrating in-group favoritism.