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ORGANIZATIONAL FAIRNESS ISSUES
AND
THE 2003 DEFENCE ETHICS SURVEY

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ABSTRACT

Organizational fairness refers to the degree to which a workplace is characterized by impartiality and honesty, where self-interest, prejudice and favouritism have no hold, and established rules are conformed to. There is convincing evidence that fairness judgments can have a substantial impact on a wide variety of organizational attitudes and behaviour. Unfortunately, the 2003 Defence Ethics Survey Report identified organizational fairness as the area of most concern. This essay submits that the DND/CF has failed to adequately respond to the organizational fairness concerns raised in the 2003 Defence Ethics Survey Report. By not doing so, the health of the organization is risked and potential benefits are forfeited. These effects will be illustrated, in part, by considering concurrently ongoing CF Transformation initiatives and the promise of significant personnel increases in the coming years.

INTRODUCTION

The field of organizational justice, or organizational fairness, is one of emerging importance. There exists convincing evidence that fairness judgments can and do affect a wide variety of organizational attitudes and behaviour. These effects are substantial and occur across a wide variety of contexts.[1] In fact, ". . . evidence has accumulated showing that feelings of just or unjust treatment play an important role in guiding behaviour and in shaping social attitudes."[2]

Positive perceptions of fairness in an organization have been shown to promote organizational commitment, to enhance loyalty, to improve trust between co-workers, and to develop favourable attitudes towards organizational policies and actions.[3] Conversely, negative perceptions of fairness have been shown to cause a variety of attitudes and behaviours that range from self-interested to antisocial.[4] Concerns over organizational fairness issues have even been shown to be ". . . significantly associated with self-certified and medically certified sickness absence."[5]

In recent years, Canadian workplaces have become more fair and equitable, and the Department of National Defence/Canadian Forces (DND/CF) has followed a similar path. For example, the 1995 Doshen report represented the first major examination of the

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[1] E. Allan Lind, "Fairness Heuristic Theory: Justice Judgments as Pivotal Cognitions in Organizational Relations," in *Advances in Organizational Justice* (Stanford, CA: Stanford University Press, 2001), 56-88.

[2] *Ibid*., 57.

[3] *Ibid*., 58.

[4] *Ibid*., 58.

[5] Marko Elovainio, Mika Kivimaki, and Jussi Vahtera, "Organizational Justice: Evidence of a New Psychosocial Predictor of Health," *American Journal of Public Health* 92, no. 1 (January 2005): 107.

mechanisms that CF members had to voice their concerns.[6] Bill C-25, which amended

the National Defence Act (NDA) in 1998, included a new grievance process and created

a new grievance board.[7] Also in 1998, the Office of the Ombudsman was created to

provide ". . . an external mechanism of voice for an individual."[8] The Conflict

Management Program was initiated in 2001, and includes an alternate dispute resolution

option.[9] Finally, all CF members went through training designed to reduce sexual

harassment in the workplace, and Quality of Life initiatives are ongoing.

The above list of programs and initiatives is not inclusive. What they all have in

common, however, is an objective to foster or improve some aspect of organizational

fairness with the DND/CF. The level of resources expended on these items is

undoubtedly significant. Unfortunately, the recent 2003 Defence Ethics Survey Report

indicates that these initiatives are falling well short from an organizational fairness

perspective. For the second straight time organizational fairness was identified by the

Defence Ethics Survey as the area of most concern.

This essay submits that the DND/CF has failed to adequately respond to the

organizational fairness concerns raised in the 2003 Defence Ethics Survey Report. By

not doing so, the health of the organization is risked and potential benefits are forfeited.

These adverse effects will be illustrated by considering concurrently CF Transformation

initiatives and the prospect of significant personnel increases in the coming years. This

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[6]Nikki Holden, "An Examination of Mechanisms of Complaint and Grievance Resolution in the Canadian Forces," (Ottawa: Centre for Operational Research and Analysis Technical Memorandum DRDC CORA TM 2005-44, 2005), 3.

[7]*Ibid.*, 6.

[8]*Ibid.*, 20.

[9]*Ibid.*, 14.

essay proposes that the CF can enhance the loyalty and commitment of its members by understanding and applying organizational fairness principles during CF Transformation efforts, a period of substantial change and uncertainty. This in turn can increase retention levels and reduce the pressure on recruiting programs.

This essay will begin by discussing the issue of organizational fairness, focusing specifically on fairness theory and fairness heuristic theory. Then, the results of the recent Defence Ethics Survey will be reviewed and analyzed. Within the analysis, areas of focus and specific recommendations for future efforts will be proposed.

ORGANIZATIONAL FAIRNESS BACKGROUND

This section will introduce the topic of organizational fairness. First, a brief definition and general concepts will be provided. Then an overview of the foundational theories of distributive justice, procedural justice and interactional justice will be presented. Finally, recent developments in fairness theory and fairness heuristic theory will be examined in greater detail.

The term organizational fairness is often used to describe the degree to which an organization is characterized by impartiality and honesty, where self-interest, prejudice and favouritism have no hold, and established rules are conformed to.[10] The role of fairness as a consideration in the workplace is a topic that has been dubbed organizational justice.[11] As one might expect, ". . . justice is a key issue for understanding

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[10]Encyclopaedia Britannica Online, http://www.britannica.com/dictionary?book=Dictionary&va=-fairness&query=fairness, Internet; accessed 19 March 2006.

[11]Jerald Greenberg, "Organizational Justice: Yesterday, Today, and Tomorrow," *Journal of Management* 16, no. 2 (1990): 400.

organizational behaviour."[12] There are essentially two major issues at the core of

organizational justice. The first deals with how people respond to the fairness of the

outcomes they receive. This content-based theory is referred to as the distributive justice

approach and was the initial focus of research in the organizational fairness arena.

However, although the ". . . evidence for equity theory is generally quite strong"[13], it was

soon seen that focusing exclusively on fair outcomes had limited utility.[14] This

realization set the stage was set for procedural justice theory.

Procedural justice maintains that the way one is treated is as important as the

outcome received and focuses instead on how the decision was reached.[15] Procedural

justice is important for a number of reasons. First, it offers employees a level of control

or "voice" in the process and the outcome. Research has consistently indicated that ". . .

fairness judgments and responses to a decision-making procedure are enhanced when

those affected have an opportunity to express their view."[16] Second, it recognizes an

individual's standing in the organization and contributes to their sense of self-worth.[17]

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[12]Kees van den Bos, E. Allan Lind and Henk A. M. Wilke, "The Psychology of Procedural and Distributive Justice Viewed From the Perspective of Fairness Heuristic Theory," in *Justice in the Workplace, From Theory to Practice, Volume 2* (Mahwah, NJ & London: Lawrence Erlbaum Associates, 2001), 49-66.

[13]Greenberg, *Organizational Justice: Yesterday . . .* , 401.

[14]Steven L. Blader and Tom R. Tyler, "What constitutes fairness in work settings? A four-component model of procedural justice," *Human Resource Management Review* 13, (2003): 109.

[15] Russell Cropanzano and Marjorie L. Randall, "Injustice and Work Behavior: A Historical Review," in *Justice in the Workplace: Approaching Fairness in Human Resource Management* (Hillsdale, NJ & London: Lawrence Erlbaum Associates, 1993), 3-20.

[16]Robert L. Holbrook, Jr., "Managing Reactions to Performance Appraisal: The Influence of Multiple Justice Mechanisms," *Social Justice Research* 12, no. 3 (1999): 206.

[17]Janice M. Paterson, Andrea Green, and Jane Cary, "The measurement of organizational justice in organizational change programmes: A reliability , validity and context-sensitivity assessment," *Journal of Occupational and Organizational Psychology* 75, (2002): 394.

Procedural justice is also ". . . one of the key determinants of individuals' perceptions of authority legitimacy and their willingness to comply with the rules and decisions of the collective."[18]

Procedural justice has also been found to be an important predictor of a number of factors. These include commitment to work organizations; the effort exerted when performing required duties; the likelihood of retention (i.e. loyalty); acceptance and compliance with organization rules; and the extent to which employees engage in extra role activities on behalf of their organizations.[19]

While ". . . both procedural and distributive justice formulations provide insight into understanding a wider array of organizational phenomena than originally envisioned,"[20] new theories continue to be proposed. One theory that has received considerable attention is the interactional theory. In this theory, it is not just the outcomes and the procedures used to achieve them that are important. The explanations and the rationale for actions and allocations are also important factors for shaping responses.[21] Interactional justice submits that ". . . to a large extent individuals make justice appraisals based on the quality of the interpersonal treatment they receive."[22] At this point, two more recent theories, namely fairness theory and fairness heuristic theory, will be examined in more detail.

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[18]Jason A. Colquitt, "On the Dimensionality of Organizational Justice: A Construct Validation of a Measure," *Journal of Applied Psychology* 86, no. 3 (2001): 388.

[19]Blader and Tyler, *What constitutes fairness . . .*, 108.

[20]Greenberg, *Organizational Justice: Yesterday . . .*, 418.

[21]Holbrook, Jr., *Managing Reactions to . . .*, 207.

[22]Cropanzano and Randall, *Injustice and Work Behavior . . .*, 12.

Fairness theory

Fairness theory has recently been proposed as a model of organizational justice. Fairness theory highlights the fact that ". . . justice is a social process in which people assign one another blame and credit."[23] The theory focuses on accountability as the basis for fairness. Essentially, ". . . for a person to be held accountable for an injustice, that person must harm another person by behaving in a way that violates some ethical principle of social conduct."[24] The notion of accountability is addressed by asking three questions: *Would*, *Could* and *Should*. *Would* a more positive result have been obtained if a different event or situation had occurred? *Could* the other person have acted differently? *Should* the other have acted differently, i.e. more in line with moral principles?[25] If all of these elements are not met, then no social injustice has occurred.

Fairness theory proposes a radical distinction between outcome and process. Whereas the traditional view has separated distributive, procedural, and interactional justice, fairness theory emphasizes similarities in the way that people attempt to understand or make sense of events. The key difference is that fairness theory refers to separable aspects of the same event, rather than to separate events.[26] Next, the fairness heuristic theory will be examined.

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[23]Robert Folger and Russell Cropanzano, "Fairness Theory: Justice as Accountability," in *Advances in Organizational Justice* (Stanford, CA: Stanford University Press, 2001), 1-55.

[24]*Ibid.*, 5.

[25]*Ibid.*, 6.

[26]*Ibid.*, 37.

Fairness heuristic theory

The fairness heuristic theory proposes an alternative method of integrating both the procedural and distributive justice domains.[27] The theory is centred on what is termed the fundamental social dilemma. On one hand, by contributing to an organization, an individual is likely to obtain better outcomes and secure membership in a larger group. On the other hand, sacrificing for the group limits individual freedom of action.[28] In addition, ". . . ceding authority to another person raises the possibility of exploitation and exclusion."[29]

To resolve the fundamental social dilemma, people routinely use impressions of fair treatment as a heuristic device. In essence, if people believe that they have been treated fairly by others, this prompts a "shortcut" decision to subordinate personal desires to the needs of the group.[30] This has been termed moving from "individual mode" to "group mode."[31] It is important to note that ". . . the heuristic is based on perceived fairness of treatment, and perceptions can vary from reality."[32] According to the theory, because people need fairness judgments to guide their behaviour, they tend to generate these fairness judgments very quickly. It is for this reason that early information has greater impact than later information. Although the quickly formed fairness judgments

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[27]Van den Bos, Lind and Wilke, *The Psychology of Procedural . . .*, 50.

[28]Lind, *Fairness Heuristic Theory . . .*, 61.

[29]Van den Bos, Lind and Wilke, *The Psychology of Procedural . . .*, 52.

[30]Lind, *Fairness Heuristic Theory . . .*, 65.

[31]*Ibid.*, 67.

[32]*Ibid.*, 66.

can be changed by later information, it is not as easy as is the case with early information.[33]

This primacy effect has many implications. To start, an important consideration in this theory is how people combine procedural and distributive fairness information to form their overall fairness judgments.[34] The fairness heuristic theory predicts that ". . . in many situations people may turn to the fairness of the procedure to assess how to react to their outcome because such procedural information is usually available [first]."[35]

From a practical perspective, the primacy effect implies ". . . that by far the best time to make a worker a willing and cooperative member of an organization is at the beginning of the worker's relationship with the organization."[36] Fair treatment received early on will pay great dividends later in such areas as support, sacrifice, and acceptance of the organization and its authorities.[37] In addition, in terms of real or symbolic change in an organization, it is the judgment that is formed at the time of restructuring that will have the greatest impact on subsequent behaviour.[38] This concludes the background section on the organizational fairness theories relevant to this essay. Now the 2003 Defence Ethics Survey will be reviewed and analyzed.

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[33]Van den Bos, Lind and Wilke, *The Psychology of Procedural . . .*, 60.

[34]Michael M. Harris, Filip Lievens, and Greet Van Hoye, "'I Think They Discriminated Against Me': Using Prototype Theory and Organizational Justice Theory for Understanding Perceived Discrimination in Selection and Promotion Situations," *International Journal of Selection and Assessment* 12, no. 1/2 (March/June 2004): 60.

[35]*Ibid.*, 61.

[36]Lind, *Fairness Heuristic Theory . . .*, 73.

[37]*Ibid.*, 73.

[38]*Ibid.*, 79.

2003 DEFENCE ETHICS SURVEY REPORT

The 2003 Defence Ethics Survey was designed to ". . . assess ethical decision-making of all members of the Defence Team."[39] The survey provided ". . . invaluable empirical insight into the perceptions that individual military and civilian personnel have concerning the practice of ethics in the CF and DND."[40] As this was the second time that the survey was conducted, comparison with the 1999 Defence Ethics Survey results was possible.

The survey required rated responses to questions and scenarios that dealt with ethical issues. There was also an opportunity for the respondent to provide written comments on what they considered the most important ethical issue facing the DND/CF. The responses provided information about eleven indicators, namely: Rules, Care, Independence, Self-Interest, Job Completion, Supervisor Expectations, Supervisor Behaviour, Co-worker Behaviour, Organizational Fairness, Organizational Rules and Personal Control. The responses also indicated how respondents viewed the current state of affairs both in their unit and in the larger organization (the "now"), as well as what they believed it should be (the "should").[41]

The differences between the way things are now and the way things should be produced a "gap". The larger the gap, ". . . the greater is the discrepancy between the values that personnel perceive are being practiced in their work environment <u>now</u> and the

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[39]S. Dursun, Major R.O. Morrow, and Major D.L.J. Beauchamp, "2003 Defence Ethics Survey Report," (Ottawa: Director Human Resources Research and Evaluation Sponsor Research Report 2004-18, 2004), iii; available from http://www.dnd.ca/crs/ethics/dep/surveys_e.asp; Internet; accessed 22 August 2005.

[40]*Ibid*., 1.

[41]*Ibid*., 4.

values that they, according to their individual system of values, believe <u>should be</u> practiced."[42] For the second straight time, the Defence Ethics Survey identified organizational fairness as having the largest gap. In fact, ". . . the gap for this factor [organizational fairness] is much larger than for any other factor and is the largest for both military and civilian personnel."[43] These findings were supported by the written comments of both the military and civilian employees.[44]

This gap in organizational fairness is important for a number of reasons. To begin with, "Research has shown that employees' perception of fairness has a direct effect on trust in the organization. Fairness and trust are cornerstones of strong working relationships."[45] When people believe that their organization is a fair place to work, they will go above and beyond their job requirements. They are also more likely to report improper behaviour, or conversely, they are more likely to seek retribution against the organization if they feel they are being treated unfairly.[46] Finally, the perceptions that individuals have about organizational fairness can ultimately impact their decision on whether or not to stay with the organization.[47] Thus, the impact that organizational fairness has on the ability of the CF to retain experienced personnel is significant, particularly when considered in the context of a shrinking Canadian workforce and the difficulties that the CF has recently experienced in meeting recruiting quotas.

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[42]*Ibid.*, 8.

[43]*Ibid.*, 16.

[44]*Ibid.*, 92.

[45]*Ibid.*, 5.

[46]*Ibid.*, 15.

[47]*Ibid.*, 23.

Given the consistently high gap that organizational fairness has obtained on the Defence Ethics Surveys and the serious organizational consequences that can result from an unfair workplace, one might naturally assume that the DND/CF has taken concrete measures to address this issue. In fact, the authors of the recent survey did implore ". . . leaders and managers to ensure that ways and means developed to address the issues raised by the 2003 Defence Ethics Survey also include concrete courses of action to deal with them."[48] The fact that no additional research focusing on organizational fairness issues within the DND/CF has been initiated since the report was published indicates that this request has failed to generate the anticipated response.[49]

This section provided an overview of the 2003 Defence Ethics Survey, briefly described the methodology used and defined the "gap". Then, the potential impact of the organizational fairness gap was discussed in a general sense. The next section will analyze the organizational fairness results in detail. Specific areas of concern and their potential impact on the DND/CF will be discussed.

ANALYSIS OF THE RESULTS

In order to analyze the survey results as they pertain to organizational fairness, it is first necessary to review the statements that were factored into the organizational fairness indicator. The five statements were:

This organization looks after its members;

Organizational policies are fair to everyone;

This organization cares for its members;

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[48]*Ibid.*, iv.

[49]Sanela Dursun, lead author of the 2003 Defence Ethics Survey Report, telephone conversation with author, 8 March 2006.

This organization respects the dignity of all employee/members; and

This organization is fair.[50]

It is immediately apparent that these statements are generic in nature. An individual might consider the DND/CF to be unfair in any number of areas. Examples might include performance assessments, postings, pay policy, dispute resolution or grievance procedures. Unfortunately, the survey did not allow this level of granularity. The written comments do provide further amplification. However, when considering that written comments were optional and the fact that survey participants were randomly selected, it is clear that the written comments alone are an inadequate basis for action.

Despite this fact, the written comments can be used as a source of general observations. To begin, recall that the term organizational fairness refers to the degree to which an organization is characterized by impartiality and honesty, where self-interest, prejudice and favouritism have no hold, and established rules are conformed to. When reviewing Table G1 (see Appendix 1) of the survey[51], which identifies the themes and categories of the written comments, it appears that Theme 1: Fair and Equitable Treatment Versus Self Interest corresponds most closely to organizational fairness issues. However, there appears to be individual items in this theme not related to organizational fairness, whereas items from other themes seem to warrant inclusion under an organizational fairness umbrella.

Therefore, the following items shall be grouped together when considering the written comments from an organizational fairness perspective. First, from Theme 1, all

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[50]Dursun, Morrow and Beauchamp, *2003 Defence Ethics Survey Report*, 52.

[51]*Ibid.*, 92.

items relating to treatment (fair or inequitable), self interest and careerism, and evaluation and promotion. The last item is included since it is intuitive that it would only be mentioned if a perceived lack of fairness existed. As well, honesty, trust and confidentiality issues from Theme 3 are included, as are adherence to rules, regulations and orders from the miscellaneous section. Under this construct, organizational fairness concerns account for 462 out of the 1029 responses submitted by military members.

The above analysis reveals that approximately 45% of the written responses related to organization fairness issues. Clearly, organizational fairness was a concern to those who responded. At the same time, only 1.67% of CF members provided written comments (based on a CF population of 61,668[52]). The conclusion to be drawn is that a focused set of questions targeting organizational fairness issues must be issued to a larger audience. Only then can a clear action plan be formulated.

The next step is to identify trends or patterns in the latest survey results. Consider Table D11 (see Appendix 2), which summarizes what individuals feel the level of Organizational Fairness is *now* in the workplace, referred to as a measure of the organizational ethical climate.[53] The first point of interest is that Junior NCMs estimate the current level of organizational fairness (mean value of 2.85) to be significantly lower than the estimates of Senior NCMs, Junior and Senior Officers (mean values of 3.18, 3.30 and 3.28 respectively). The gap between Junior NCMs and the remaining categories ranges from .33 points to .45 points.

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[52]*Ibid.*, 48.

[53]*Ibid.*, 62.

The second point of interest concerns new entries (Junior NCMs and Junior Officers), identified here as those persons having 1-5 years of service. While new entries have a relatively good perception of the current level of organizational fairness (mean value of 3.10), this response drops to a mean value of 2.88 for those with 6-10 years of service. In fact, the estimate of organizational fairness achieved by new entries is not reached again until the respondents have greater than 30 years of service.

Considering these two points together, the inference can be drawn that new entries, particularly and perhaps predominantly Junior NCMs, are becoming disillusioned with the organization early in their careers.[54] Applying the fairness heuristic theory to this scenario highlights several serious concerns. First, the primacy effect posits that the early stages of an individual's exposure to an organization are key to forming long-term, trusting relationships. If the DND/CF is not taking advantage of every opportunity to convince new entries of the fairness of the organization, then they are not maximizing the commitment of new recruits.

Second, the fairness heuristic theory also states that the initial fairness judgment formed by individuals can be changed by later information, but not easily. Thus, given the lowered response for those in the 6-10 years of service bracket, it appears that significant events are occurring that are challenging initial assessments of the fairness of the organization and lowering organizational fairness perceptions. If this is true, one critical consequence is that the commitment of Junior NCMs' to the organization is being lowered at the same time that they are considering whether or not to accept longer-term

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[54]A more detailed analysis of the raw data that is summarized in Table D11 of the 2003 Defence Ethics Survey Report is required to validate this inference. Essentially, the mean score of Junior NCMs with between 1-5 years of service would need to be compared to the mean score of Junior NCMs with between 6-10 years of service.

engagements in the Canadian Forces. Addressing perceptions of fairness, then, would positively impact retention rates. In fact, analysis of the CF Retention Survey has highlighted the importance of satisfaction with organizational fairness in the stay/leave decision process.[55]

There are a number of steps that can be taken to address these concerns. First, new recruits should not be presented with programs and issues that deal with organizational fairness issues in a piecemeal way. Instead, all related programs should be linked to an organizational fairness theme that is continually reinforced, particularly in the early stages of a career. In this way, initial (and strong) perceptions of fairness can be created. As well, a targeted survey focussed on organizational fairness issues must be created and administered to a wide audience. The results can then be used to develop programs suitable for implementation at the unit level, as well as programs suitable for implementation during career courses.

In fact, assuming a suitable sample size and maintenance of confidentiality, it would be feasible to indicate to commanders the prevalent organizational fairness concerns within their unit. Commanders could then use these results to tailor a program specifically for their unit. One aim of such a program would be to reduce feelings of disillusionment, particularly in recent arrivals, and thereby enhance the retention rate.

Let us now examine Table D22 (see Appendix 3), which summarizes what individuals feel the level of Organizational Fairness *should* be in the workplace, referred to as their individual ethical values.[56] The previous discussion on fairness theory

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[55] Sanela Dursun, lead author of the 2003 Defence Ethics Survey Report, email correspondence with author, 1 April 2006.
[56] Dursun, Morrow and Beauchamp, *2003 Defence Ethics Survey Report*, 73.

identified that the question to be asked here is whether or not the individual / organization should have acted differently, i.e. more in line with moral principles. It is interesting to note that across all demographic categories, and specifically the Rank and Years of Service, perceptions about what the level of organizational fairness should be within the DND/CF are very similar. Although the Junior NCMs have the lowest expectation (mean value of 4.32), the difference between their result and the group with the highest expectations, the Junior Officers (mean value of 4.40), is a mere 0.08 points. Within the Years of Service category, we see that although the 6-10 years of service group has the highest expectations (mean value of 4.39), there is only a 0.06 point difference between this group and the group with the lowest expectation, the 11-20 years of service group (mean value of 4.33). The conclusion to be drawn here is that expectations of organizational fairness are consistent across the defined demographic categories.

The next step is to calculate organizational fairness "gaps" for all of the demographic categories. Subtracting the organizational fairness scores for the way things should be (Table D22, see Appendix 3) from the organizational fairness scores for the way things are now (Table D11, see Appendix 2) produces a difference or a "gap" between individual values and their perceptions.[57] Results are displayed in Appendix 4. As expected, the two largest gaps correspond to the 6-10 Years of Service category (gap of 1.51) and the Junior NCM category (gap of 1.47). Across all of the demographic categories, the mean value for the gap was 1.30 points and the standard deviation was 0.11 points. In simple terms, this indicates that the organizational fairness gaps for both the Years of Service category and the Junior NCM category were significant and worthy of further study.

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[57]*Ibid.*, 8.

One of the themes identified from review of the written comments was Senior Leadership and Management[58] (See Appendix 1). This particular theme garnered 262 out of the 1029 written responses provided by military members, and is also a significant area of interest.   In fact, the sub-items in this theme take on a new light when considered in terms of the current CF Transformation efforts.

Within the CDS Planning Guidance for CF Transformation, we see that a goal embedded within the CDS' intent is that the CF's ". . . ability to provide leadership at home and abroad will be increased."[59] Further review of the document also reveals that it is focused primarily on the organizational and structural changes that the CF has or will undergo. What is not covered here is how Transformation efforts will impact personnel. More specifically, there is no discussion of how Transformation will affect perceptions of organizational fairness within the DND/CF.

We have seen earlier from the fairness heuristic theory that significant restructuring offers an opportunity to (re)align employees to organizational goals and enhance commitment. However, to realize this opportunity requires effort and will not occur automatically. In fact, failure to adequately address organizational fairness issues during CF Transformation could lead to negative outcomes, with employee commitment being decreased.

To make the most of this opportunity, Senior Leadership and Management must be fully engaged. Briefings and discussion on organizational and structural changes alone will not be adequate. Leaders must continually stress the positive organizational

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[58]*Ibid.*, 92.

[59]General R.J. Hillier, *CDS Planning Guidance – CF Transformation* (Chief of the Defence Staff: file 1950-9 (CT), 18 October 2005).

fairness attributes of the DND/CF. Specific management issues such as resource allocation and the resultant correlation with assigned tasks, as well as commitment to ethical decision-making must be addressed and communicated.[60] In this way, the chaos and turmoil associated with major organizational change can be harnessed to enhance the perceived level of organizational fairness with the DND/CF, and thereby enhance commitment levels at the same time.

CONCLUSION

Organizational fairness is a field of emerging importance. An employee's perception of fairness can significantly influence a number of key organizational attributes, including such things as commitment, loyalty, trust and acceptance of organizational policies, to name but a few. Poor perceptions of organizational fairness can damage the health of both the organization and the individual.

The DND/CF has expended considerable resources over the past decade attempting to create a more fair and equitable organization. The Doshen report, portions of Bill C-25, the creation of the Ombudsman, the Conflict Management Program and Quality of Life initiatives are but just a sample of the wide range of programs and initiatives that touch, at least in part, the issue of organizational fairness. Yet the 2003 Defence Ethics Survey Report raises significant questions about the overall effectiveness of these efforts. For the second straight time, the issue of organizational fairness was identified as the area of greatest concern.

After a review of the fundamentals of organizational fairness and current trends, this essay focussed on analyzing the 2003 Defence Ethics Survey Report from an

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[60] Dursun, Morrow and Beauchamp, *2003 Defence Ethics Survey Report*, 92.

organizational fairness perspective. A number of observations and recommendations were made. First, the statements that respondents were asked to rate were found to be too generic in nature. Although written comments did provide some context, an additional survey with focussed questions dealing with specific aspects of organizational fairness is essential for the formulation of a clear action plan.

Next, analysis of the results strongly implied that Junior NCMs are becoming disillusioned with the organization early in their careers. To address this concern, a development theme centred on organizational fairness should be developed and provided to new entries to allow continue reinforcement and to enhance commitment. As well, the results of an enhanced organizational fairness survey could be used to develop programs both tailored to individual units or more generic and delivered during career courses.

Finally, the link between CF Transformation efforts and organizational fairness was discussed. During times of significant organizational change, such as CF Transformation, there exists an opportunity to readjust the perceptions of fairness that individuals have. In order to ensure that this readjustment occurs in a positive direction, senior leadership must resist the urge to focus solely on matters of organizational and structural change. They must as well highlight the positive organizational fairness attributes of the DND/CF.

Organizational fairness perceptions can have a significant impact upon many aspects of the DND/CF. The 2003 Defence Ethics Survey Report identified, once again, that organizational fairness issues are the greatest concern within the organization. Yet no concrete measures have been taken to address them. The suggestions contained in this essay constitute a starting point on the path to improving these perceptions. If performed,

these measures offer many potential benefits, not the least of which are improved loyalty, commitment and retention.

APPENDIX 1

Table G1
Comments: Themes and Categories

	Military	Civilian	Total
Theme 1:Fair and Equitable Treatment Versus Self Interest			
Fair Treatment, Care and Support for Personnel	108	37	145
Inequitable Treatment – Rank or Position	66	9	75
Inequitable Treatment – Military or Civilian Status	6	15	21
Inequitable Treatment – First Official Language	11	1	12
Inequitable Treatment – Gender	3	8	11
Inequitable Treatment – Race or Ethnicity	6	1	7
Inequitable Treatment – Other/Multiple	51	29	80
Evaluation and Promotion	65	31	96
Hiring and Contracting	28	58	86
Self Interest and Careerism	68	11	79
Theft or Abuse of DND/CF Resources	18	15	33
Theme 2: Senior Leadership and Management			
Direction and Support from Government	19	3	22
Information Provided to the Government and Public	24	3	27
Tasks Given Resources	64	8	72
Outdated or Insufficient Equipment	19	1	20
Resource Allocation	30	22	52
Overemphasis on Political Correctness or Human Rights	19	4	23
Commitment to Encourage Ethical Decision Making	42	11	53
Other Comments About Leadership	45	7	52
Theme 3: Ethical Ideals			
Honesty, Trust and Confidentiality	47	21	68
Responsibility and Accountability	49	13	62
Integrity and Leadership by Example	40	12	52
Respect	28	9	37
Loyalty	26	7	33
Common Sense and Doing What One Believes is Right	17	3	20
Communication, Awareness and Transparency	9	7	16
Miscellaneous			
Work Ethic and Dedication to the DND, the CF and Canada	36	11	47
Adherence to Rules, Regulations and Orders	31	11	42
Questionnaire	27	6	33
Scenario One	0	1	1
Scenario Two	5	7	12
Scenario Three	8	1	9
Scenario Four	11	8	19
Scenario Five	10	N/A	10
Public Perception	13	4	17
Religion	5	1	6
None	6	0	6
Total	**1029**	**385**	**1414**

Source: Dursun, Morrow and Beauchamp, *2003 Defence Ethics Survey Report*, 92.

APPENDIX 2

Table D11
Organizational Fairness
Ethical climate ("now") Differences by Demographic Categories

Demographic Category		Mean	F	P*	Eta
Civilian/Military	Civilian	2.89	16.82	.000	.009
	Military	3.10			
FOL	English	2.95	32.84	.000	.018
	French	3.24			
Gender	Male	3.05	1.12	.29	n.s.
	Female	2.99			
Education Level**	High School	3.05	12.01	.000	.020
	College	2.89			
	University	3.24			
	Graduate	3.19			
Rank**	Junior NCM	2.85	17.48	.000	.039
	Senior NCM	3.18			
	Junior Officer	3.30			
	Senior Officer	3.28			
Years of Service	1-5	3.10	2.48	.042	n.s.
	6-10	2.88			
	11-20	2.98			
	21-30	3.09			
	>30	3.12			
Age	Under 30	3.15	1.03	.38	n.s.
	30-40	3.01			
	41-50	3.02			
	>50	3.04			

Source: Dursun, Morrow and Beauchamp, *2003 Defence Ethics Survey Report*, 62.

<u>APPENDIX 3</u>

Table D22
Organizational Fairness
Individual Values ("should") Differences by Demographic Categories

Demographic Category		Mean	F	P*	Eta
Civilian/Military	Civilian	4.34	.66	.41	n.s.
	Military	4.37			
FOL	English	4.33	15.51	.000	.009
	French	4.45			
Gender	Male	4.36	.36	.54	n.s.
	Female	4.38			
Education Level**	High School	4.35	1.09	.53	n.s.
	College	4.35			
	University	4.41			
	Graduate	4.35			
Rank**	Junior NCM	4.32	1.64	.17	n.s.
	Senior NCM	4.38			
	Junior Officer	4.40			
	Senior Officer	4.39			
Years of Service	1-5	4.38	.76	.55	n.s.
	6-10	4.39			
	11-20	4.33			
	21-30	4.38			
	>30	4.35			
Age	Under 30	4.36	.48	.69	n.s.
	30-40	4.38			
	41-50	4.34			
	>50	4.37			

Source: Dursun, Morrow and Beauchamp, *2003 Defence Ethics Survey Report*, 73.

APPENDIX 4

Organizational "Gaps"
Should (Table D22) – *Now* (Table D11)

Demographic Category		*Should* Mean	*Now* Mean	"Gap"
Civilian/Military	Civilian	4.34	2.89	1.45
	Military	4.37	3.10	1.27
FOL	English	4.33	2.95	1.38
	French	4.45	3.24	1.21
Gender	Male	4.36	3.05	1.31
	Female	4.38	2.99	1.39
Education Level**	High School	4.35	3.05	1.30
	College	4.35	2.89	1.46
	University	4.41	3.24	1.17
	Graduate	4.35	3.19	1.16
Rank**	Junior NCM	4.32	2.85	1.47
	Senior NCM	4.38	3.18	1.20
	Junior Officer	4.40	3.30	1.10
	Senior Officer	4.39	3.28	1.11
Years of Service	1-5	4.38	3.10	1.28
	6-10	4.39	2.88	1.51
	11-20	4.33	2.98	1.35
	21-30	4.38	3.09	1.29
	>30	4.35	3.12	1.23
Age	Under 30	4.36	3.15	1.21
	30-40	4.38	3.01	1.37
	41-50	4.34	3.02	1.32
	>50	4.37	3.04	1.33

Mean value of all the "gaps" = 1.30
Standard deviation = 0.11

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