

All's Fair

By

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Let's say there's a business with a corporate culture that's been shaped by military detritus and organized labour. It's been schlerotic for at least forty years. Now it wants—needs, maybe—to change: to modernize. The “mind” of the organization, its executives, desires a “respectful” and “fair” culture. Notwithstanding that so far all verbalizations of that desire lead to a one-word conclusion: civility, it is an unimpeachable aspiration for reasons not the least of which is the apparent connection between such a culture and employee performance, never mind the subsequent, direct effect on overall business productivity and performance.

I have no truck with that. It has logic and integrity. But the devil or God, or both, is in the details, as they say. So before the corporate mind throws its body into the fray of getting better as inferred from the culture-to-performance equation, let's consider the implications. More specifically: Could different definitions or interpretations of “fair” drive dramatically different, possibly undesired outcomes? Is that even a concern? After all, we all *know* what fair means and that it's good.

“Just and impartial” is the basic sense of the word fair as used in the cultural aspiration. Showing no bias or partiality toward any one person is the foundation of most modern organizations larger and less personal than the family business. People tend to not accept employment and other bias in large corporations. When bias is noticed, it's given a name: politics, favouritism, tribalism, cronyism, and so on. Too much bias in a system and cynicism grows within and about it. But this is not an examination of the International Olympic Committee.

Fairness in this sense is captured by the notion of the level playing field. In North America, we are conditioned by sport, politics, and our working lives—our careers—to expect *and demand* a level playing field. Adam Smith's legacy, the capitalist democratic system, is founded on it. When the playing field is not

level, we notice it. Conrad Black was tried because of allegations of enrichment from a table tilted in his favour *by him* (but let's not quibble over details). So it stands to reason that a culture of unbiased fairness should be good.

Why am I railing on? Because equal opportunity is not the same as equitable treatment. This is not a pedantic, academic exercise. It is foundational thought that anticipates and hopefully avoids the inevitable unintended consequences of whatever action is taken. It's important because unintended consequences are typically second-order effects resulting from the initial unanticipated outcomes: in this case from the distinction between “equal” and “equitable” as nuances of fair, impartial, unbiased, and level.

While there is no easy, stark contrast between nuanced definitions of two words that both mean fair in some measure, let's put these notions into bold relief. Fair as *equal* is best embodied in the communal ideas put forth by Karl Marx and practised by Communists of all sorts from Bolsheviks and Maoists to kibbutzniks and hippies.¹ In an equality-based system there are no quality-based distinctions. Members of the same class—hierarchically, functionally, and so forth—share equally in the work, the benefits, the opportunities, the rewards, the praise, and so on *based solely on membership* irrespective of other critical differences like performance, potential, skill, and ability. On the other hand, in systems where fair is *equitable*, membership merely sets the entry parameters while classification is based on criteria such as those listed above or others as required by the circumstance. In other words, equity is based on merit.

Everyone can be and should be equal as a fundamental feature of membership in our society. That in no way need inhibit equity-based reward or

¹ It would be too easy to suggest that the state of these human organizational systems today is proof enough of this approach's deficiency. But that would be to judge and miss the point of the argument.

punishment. A cynic might view "equal" as an unripened or juvenile quality. While equality is an order of magnitude more advanced than the state of even the recent pre-Civil Rights American south, that is an unfortunately low threshold. Wisdom, it would appear, reaches for "equity" as the fairness that is a natural step beyond basic equality.

The evolved soul is unconcerned by the uneven distribution that naturally results when fair means equitable rather than equal. Perhaps it's because the evolved mind harmonizes with nature: the prototype of asymmetry and uneven distribution. Choose Darwin or Dawkins, observe the food chain, or marvel at the Pacific redwoods growing above the forest canopy seeking and winning sunlight.² In all cases "uneven" is a critical element of the system's persistence, if not its success. Nature counts on primal drives to move it. In the language of commerce, the uneven spoils of equitability drive to the top as participants exceed each other for reward. A communal, equality-based system drives to the bottom because, as so many others have argued more eloquently, it withdraws incentive to excel. Quite to the contrary, "equal" inhibits uneven, upward development while unwittingly supporting corrosive reduction to lowest common performance.

There is good reason to choose equal over equitable as the definition of fair, even for the wise and enlightened. For the organization, or more pointedly, for the people representing the organization, equal is easy while equitable is hard. Because equality abides by objective rules, it absolves the judge from the responsibility of accounting for variance, context, and (personal) bias. Requiring no thought, only the mindless application of rules, equal is the refuge of the bureaucrat. A computer excels at delivering equal. Equitable, on the other hand, is subjective. While there are doubtlessly many guidelines, the responsibility of decision rests with the judge. And that responsibility includes making a circumstantial evaluation. Equitable almost by definition can not be achieved impartially, which implies personal responsibility.

Noble ambition is also a motive for those representing the organization. Equal is ideal and utopian while equitable is pragmatic and can be ugly. People look outward for equal treatment in comparison with others (with whom they are, of course, equal). We can only, however, turn inward to find the performance to achieve and succeed on merit. While "equal fairness" tends toward socialism with its implication of team-work, "equitable fairness" smacks of individualism. But those in charge would do well to recall that in a competition all are treated equally under the rules but not for reward. To the victors go the spoils. The fourth place finisher does not get a ribbon or medal, and the Ottawa Senators could only longingly watch the Anaheim Ducks parade the Cup.

In fairness, perhaps the mind is wiser than the body understands. Consider an inexact parallel in the evolution of the Women's Liberation movement as it wound its path from awareness to acknowledgment and on to equality and the current focus on equitable treatment. We're witnessing today the growth and change from "equal rights" to "equal pay for equal work" (a knife whose blade ought to cut both ways). Perhaps this evolution from broad to narrow fairness has something to do with the universality of equality and the selectivity of equity. That is, equal gets everyone, some of whom might balk at being judged on merit, to board the change train and get it rolling. Only later does the system begin putting the passengers into different cars. That may be the understanding of the mind of the Corporation. If so, body and mind should batten down for a 40-year ride.

All of which yet brings us finally around to the consequences of how a noble word and intent such as "fair" is used. I suppose neither outcome nor any in between is bad in and of itself. In this case, however, those who would change culture based on the word "fair" need to ask whether they wish to create a high-functioning and driven meritocracy that will self-propel to greater things, or a suspicious and envious cadre with aspirations to benefit from the propulsion of those few among it who are unsupported by anything but individuality. If that's not enough to think about, let's not forget Orwell's wry social observation that eventually in the barnyard, "All animals are equal but some animals are more equal than others."

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² Richard Dawkins is the author of the controversial book, *The Selfish Gene*.