# . Adams’ Equity Theory

Adams' Equity Theory calls for a fair balance to be struck between an employee's inputs (hard work, skill level, acceptance, enthusiasm, and so on) and an employee's outputs (salary, benefits, intangibles such as recognition, and so on).

According to the theory, finding this fair balance serves to ensure a strong and productive relationship is achieved with the employee, with the overall result being contented, motivated employees.

## Understanding the Theory

Adams' Equity Theory is named for John Stacey Adams, a workplace and behavioral psychologist, who developed his [**job motivation theory**](http://psycnet.apa.org/index.cfm?fa=search.displayRecord&uid=1964-04111-001)in 1963. Much like many of the more prevalent theories of motivation (such as [**Maslow's Hierarchy of Needs**](https://www.mindtools.com/pages/article/newLDR_92.htm)  and [**Herzberg's Two-Factor Theory**](https://www.mindtools.com/pages/article/newTMM_74.htm)), Adams' Equity Theory acknowledges that subtle and variable factors affect an employee's assessment and perception of their relationship with their work and their employer.

The theory is built-on the belief that employees become de-motivated, both in relation to their job and their employer, if they feel as though their inputs are greater than the outputs. Employees can be expected to respond to this is different ways, including de-motivation (generally to the extent the employee perceives the disparity between the inputs and the outputs exist), reduced effort, becoming disgruntled, or, in more extreme cases, perhaps even disruptive.