

Jill Brown on why corporations get branded as 'evil'

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(PhysOrg.com) -- Expert discusses factors that lead people to describe corporations as 'greedy' or 'evil.'

People say “it’s business, it’s not personal,” but when it comes to how we feel about corporations, it really is personal. We hear corporations described as “greedy” and “evil” when they do wrong—the same terms we use to describe [people](#) we don’t like. In fact, if you search “evil” and “corporation” on the Internet, a series of sites targeting specific companies, as well as some targeting all corporations, appear.

We spoke to Jill Brown, assistant professor of management, an Axelrod Fellow and an expert on corporate governance and ethics, about why this is happening.

Why are corporations, increasingly, portrayed as evil?

People tend to “anthropomorphize” companies, attributing human characteristics to them. When something goes wrong, people will revert to categorizing companies as “evil,” especially when they have been hurt by a company's actions—whether intentional or unintentional.

It is human nature to look for scapegoats when something wrong happens—and scapegoating is almost always emotional, and always negative. Second, corporations are an easy target to call "evil"—they have deep pockets and, therefore, there will be some response to

allegations of "evil." Again, whether the allegations are true or not.

What effect do the recent corporate scandals have on this perception?

Recent history has given consumers good cause to default to thinking of corporations as “evil.” We have experienced over a decade of unethical behavior at an unparalleled magnitude, beginning with Enron and continuing today.

Research has shown that there are certain types of [company](#) failures that elicit this type of reaction more than others. Product safety, human resource, and compensation issues, in particular, elicit emotional reactions from individuals, and lead them to “anthropomorphizing” the company.

The Internet has allowed people to know more about companies, but do we really know the truth?

Since the separation of ownership and control of corporations, consumers and even shareholders are more distanced from what actually goes on in a company and this information asymmetry continues to grow as corporations grow. Therefore, it is easier for people to think poorly of companies when something goes wrong. They truly have no idea about the inner workings, but they have knowledge and examples of "evil" through headline scandals in the media.

Provided by Lehigh University

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