

What happens when we assign human qualities to companies?

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Understanding how people judge organizations, especially after organizational wrongdoing, is a complex puzzle—but a consequential one. New research from the Cornell SC Johnson College of Business sheds light on the intriguing ways that people do so.

In [the paper](#) "Do Companies Think and Feel? Mind Perception of Organizations," published August 16 in *Cognitive Science*, Simone Tang, assistant professor of organizational behavior at the Peter and Stephanie Nolan School of Hotel Administration, and her co-author explore how people attribute human qualities to organizations by attributing "minds"

to organizations—and how that may influence their opinions after organizational wrongdoing.

Four distinct studies by Tang and co-author Kurt Gray, professor of psychology and neuroscience at the University of North Carolina at Chapel Hill, reveal new paths to comprehend how people understand these abstract entities. The research delves into a debate in [organizational psychology](#): Can humanizing an organization lead people to see it more positively? Tang's insight is that organizational humanization involves people attributing a mind to the organization. Having a full mind like a human being—capable of experiencing emotions and feelings—is key to positive evaluations, including an organization receiving forgiveness after wrongdoing.

Tang found that one way to construct a mind was to frame the building blocks of an organization—its members and goals—as being emotionally driven or not.

"We provided descriptions of companies that would make people feel like the organization's members and goals were focused on creating and influencing emotional experiences or not. For example, [in one study] a Dollar Store was described as composed of employees who are prone to express their emotions, with the goal of making customers feel cared for, and in another study, the Dollar Store was composed of employees who are strategic, with the goal of accomplishing tasks for customers efficiently. The former description made people feel like the organization had a [mind](#) more similar to a human being than the latter," Tang said.

When organizations commit wrongdoing, those perceived to possess minds similar to human beings are seen as more sincere in their apologies. Forgiveness also flows more readily. Even [negative emotions](#), such as anger, can shape the perception of an organization as being more

similar to a person.

"Our research reveals how people understand the minds of organizations, challenging traditional ideas that organizations are merely inanimate objects," Gray said.

The research suggests that companies may benefit from developing a reputation of caring about the emotional experiences of customers in addition to the success of their business model. However, there is a fine balance. Tang and Gray also found potential downsides to organizations having experience and expressing emotion in that they can be seen as somewhat less effective at being profitable and successful.

"Overall, the insight that we can induce people to perceive minds in organizations, especially experiential minds, has important implications for how we respond to organizational [wrongdoing](#) and their attempts at atonement," Tang said.

More information: Simone Tang et al, Do Companies Think and Feel? Mind Perception of Organizations, *Cognitive Science* (2023). [DOI: 10.1111/cogs.13320](#)

Provided by Cornell University

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