Corporations are Cyborgs: Organizations elicit anger but not sympathy when they can think but cannot feel

Tage S. Rai,⇑, Daniel Diermeier

Kellogg School of Management, Northwestern University, 2001 Sheridan Road, Jacobs Center Room 501, Evanston, IL 60208, USA
Kellogg School of Management, Northwestern University, 2001 Sheridan Road, Jacobs Center Room 502, Evanston, IL 60208, USA

Keywords:
Moral judgment
Mind perception
Mental state ascription
Organization
Corporate reputation
Agency
Experience
Victim
Sympathy

Abstract

Across four experiments, participants saw companies as capable of having ‘agentic’ mental states, such as having intentions, but incapable of having ‘experiential’ mental states, such as feeling pain. This difference in mental state ascription caused companies to elicit anger as villains, but not sympathy as victims. Differences in sympathy were mediated by perceived capacities for experience. When participants had a background leading companies (i.e. senior executives) or when a recognizable brand (i.e. Google) was anthropomorphized, perceptions of experience increased and the sympathy gap disappeared. An organization seen as high in experience and low in agency (i.e. sports team) elicited more sympathy and less anger than companies. Our findings elucidate the mechanisms underlying the link between mental state ascription and moral judgment; the tendency to ascribe some mental states to organizations more easily than others; and the phenomenon whereby companies elicit anger as villains but fail to elicit sympathy as victims.

Introduction

In 2013, the retail company Target was the victim of a hacking attack that compromised the personal information of over 70 million customers. As a result, some analysts have estimated that Target could be liable for anywhere between 400 million and 1.1 billion dollars to help banks cover fraudulent charges resulting from the security breach (Webb, 2014). Target was clearly the victim of a coordinated attack by organized criminals, but unlike other victims of crime the company elicited no sympathy. Rather, the company was blamed for putting its customers at risk due to inappropriate responses during the attack and insufficient preparation. Public sympathy was only expressed towards the Target customers whose data were compromised. Target may indeed have been negligent in protecting its customers’ data. Still, the complete absence of sympathy toward Target, and other companies that have suffered similar security breaches, is striking. Why has Target elicited only anger, while failing to elicit any sympathy?

People perceive ‘minds’ in groups (Waytz & Young, 2012), imbue brands with personality traits (Aaker, 1997) and use principles of person-perception to guide their relationships with companies (Aaker, Vohs, & Mogilner, 2010; Kervyn, Fiske, & Malone, 2012; Jordan, Diermeier, & Galinsky, 2012). In the present paper, we ask whether this tendency to imbue groups and organizations with ‘minds’ extends to all mental states, and if not, how differences in the kinds of mental states that organizations are perceived as capable of having inform moral judgments of those organizations, both as villains and as victims of transgression. By investigating mental state ascription and moral judgment across individuals and organizations, we aim to establish both an asymmetry in the mental states that tend to ‘scale up’ from individuals to groups, as well as a fundamental link between mental state reasoning and moral judgment. In so doing, we provide an explanation for why companies often elicit anger as villains but fail to elicit sympathy as victims.

Agency, experience, and the mental capacities of companies

Gray, Gray, and Wegner (2007) have argued that people actually perceive minds in terms of two fundamental dimensions. The first dimension, referred to as agency, includes mental states related to thinking and taking actions, such as capacities for self-control, memory, learning, remembering, knowing, and intending. The second dimension, referred to as experience, includes mental states related to feelings, such as capacities for experiencing hunger, pain,
and pleasure. Unlike the warmth and competence dimensions in the stereotype content model (Fiske, Cuddy, Glick, & Xu, 2002), which refer to our perceptions of whether people or groups have good or bad intentions and how competent they are, the agency and experience dimensions focus on capacities to have even thoughts or feelings, regardless of their valence.

Using a pairwise comparison method, Gray et al. (2007) demonstrated that different types of actors actually vary in their perceived capacities for the mental states captured by the agentic and experiential dimensions. Thus, whereas participants saw human adults as being high in both agency and experience, they saw babies and non-human mammals as low in agency but high in experience, while they saw God and robots as high in agency but low in experience. Participants rated a dead person as comparatively low in both agency and experience.

Where do companies fall in this categorization? No organizations were present in Gray et al.'s (2007) survey. The closest evidence comes from Knobe and Prinz (2008), who argued that people see companies as high in ‘intentionality’, which loosely maps onto agency, but low in ‘phenomenal consciousness’, which loosely maps onto experience. In one study, participants rated sentences that expressed mental states tied to intentionality (e.g. “Acme Corp believes that its profit margin will soon increase”), as more natural than sentences that expressed mental states tied to phenomenal consciousness (e.g. “Acme Corp is getting depressed”), suggesting that people may be more willing to ascribe agency than experience to companies. The authors hypothesized that phenomenal consciousness is more sensitive to the physical constitution of the actor, and that because groups are composed of other actors, they are ineligible for having phenomenal consciousness. The authors did not provide an explanation for why phenomenal consciousness is more sensitive to the physical constitution of the actor than intentionality.

Strickland and Suben (2012) noted serious methodological concerns with Knobe and Prinz's (2008) studies, and suggested that the sentences the experimenters generated to test for ‘naturalness’ may have been biased by their entering hypotheses. Strickland and Suben (2012) found that sentences that expressed intentionality on the part of companies were only judged as more natural than sentences that expressed phenomenal-consciousness when they were generated by a separate set of participants with that hypothesis in mind. Sentences that expressed intentionality were not judged any more natural than sentences that expressed phenomenal-consciousness when generated by participants testing the hypothesis that sentences expressing phenomenal consciousness would sound more natural. Thus, although Knobe and Prinz's (2008) findings are suggestive, they may not provide strong support for the claim that people see companies as capable of agentic but not experiential mental states, given that this was the hypothesis that the authors had in mind when generating the stimuli for their studies.

Sytsma and Machery (2009) and Phelan, Arico, and Nichols (2012) have suggested that Knobe and Prinz's (2008) effects may not be due to different beliefs about the mental capabilities of companies or groups per se. Rather, participants may interpret questions about groups as actually referring to the specific individuals that compose them and the roles they play as members of those groups. Thus, instead of reflecting different beliefs about the mental capabilities of people and organizations, participants’ greater willingness to ascribe intentionality than phenomenal consciousness to companies is simply due to the fact that when people work in a company, they are more highly associated with behaviors that require intentionality, such as planning and goal-setting, than behaviors that require phenomenal consciousness, such as feeling joy or being hungry. This explanation suggests that if the behavior of members within an organization was more highly associated with behaviors that require phenomenal consciousness, then the effects would reverse.

Regardless of whether organizations are actually seen as having ‘minds’ of their own or whether the people who compose those organizations are seen differently when they are in the role of a group member, these findings suggest that it may be more difficult to ascribe experience than agency to some organizations, and companies in particular. However, we do not actually know whether people will find it more difficult to ascribe experience to companies than to individuals in isolation, as Knobe and Prinz (2008) never actually compared the two; they simply assumed that people would judge differently if evaluating an individual person.

The link between mental state ascription and moral judgment

If experiential mental states indeed fail to scale up from people to companies to the same degree as agentic mental states, what are the consequences for moral judgment? Previous research has found that blame and anger are predicated on the perpetrator having intended and caused a transgression (Cushman, 2008). Thus, capacities for agency may be necessary to elicit blame because without it, a perpetrator would lack the mental capacities for intention and causal responsibility. Indeed, it has been found that when participants are motivated to blame actors, they also tend to ascribe greater intention to the actor’s behaviors (Leslie, Knobe, & Cohen, 2006). Meanwhile, as feeling sympathy is predicated on taking the perspective of a victim who is in pain (Coke, Batson, & McDavis, 1976), capacities for experience may be necessary to elicit sympathy, because without it a victim would lack the mental capacities required for feeling pain and suffering.

In line with these predictions, Gray and Wegner (2009) found that when human targets were perceived to have more agency, they were blamed more as villains, and when they were perceived to have more experience, they elicited more sympathy as victims. At the organizational level, Haran (2013) found that companies were actually blamed less than individuals when they breached a contract after receiving a better offer. However, Haran (2013) argued that unlike contracts with individuals, contracts with companies were seen as morally neutral exchanges where the best offer wins, and hence, no moral violation was perceived to have occurred. When asked more generally about collective responsibility for actions by groups, Waytz and Young (2012) found that companies were often seen as responsible for their actions, but only when participants judged the group to have a ‘mind’. Crucially, Waytz and Young (2012) operationalized ‘minds’ only in terms of agency, describing a mind as ‘the capacity to make plans, have intentions, and think for itself’.

Regarding sympathy, research into the ‘identifiable victim effect’ has consistently found that groups of victims fail to elicit comparable levels of sympathy to an individual victim (Kogut & Ritov, 2005; Slovic, 2007; Small & Loewenstein, 2003). Investigations into these effects have focused on cognitive processing constraints on observers, such as limitations in their ability to vividly represent a group of victims compared to a single victim, or to think in terms of large absolute numbers rather than proportions. However, these studies have not examined the specific mental capacities that groups may be perceived as lacking compared to individuals that may serve as a mechanism underlying the sympathy gap. A single rock may be more easily mentally represented than a group of rocks, but we do not feel any more sympathy for it. In other words, there must be a role for cognitive appraisal of the mental capacities of the sufferer that make it deserving of sympathy. Moreover, the mechanisms thought to drive greater sympathy for individual victims, such as vividness and ease of mental representation, should also predict greater anger toward individual villains rather than large groups of villains. Although an identified
villain is punished more than an unidentified villain (Small & Loewenstein, 2005), and individual responsibility can be diffused across a group (Darley & Latane, 1968), at present, it is an open question as to whether a group of villains as a whole elicits less anger than an individual villain, though groups certainly can elicit high levels of anger (Lickel, Miller, Stenstrom, Denson, & Schmader, 2006).

Thus, at present, there is suggestive, but inconclusive, evidence that people perceive the mental capacities of individuals and organizations differently, in particular, that whereas companies are seen as capable of agency, they are seen as relatively incapable of experience. There is inconclusive evidence regarding whether companies elicit more or less anger for their moral transgressions compared to individuals in isolation. There is evidence that groups receive less sympathy than individuals, but there is no evidence regarding sympathy for organizations in particular, or for the role that mental ascriptions of experience may play as a mechanism for mediating the sympathy gap between individuals and groups.

Overview of hypotheses

We hypothesized that if companies are seen as capable of possessing agency, and agency is required to elicit anger, then people should direct anger at companies when they commit moral transgressions just as they would at an individual villain. But if companies are selectively lacking in experience, and if experience is required to elicit sympathy, then people should be unwilling to sympathize with companies that are victims.

H1. Participants will ascribe equal levels of agency to companies and individuals, but will ascribe higher levels of experience to individuals than to companies.

H2. Individuals and companies will elicit equal levels of anger when they are perpetrators of identical transgressions, but individuals will elicit higher levels of sympathy than companies when they are victims of identical transgressions.

H3. Levels of anger will be causally driven by levels of agency, while levels of sympathy will be causally driven by levels of experience.

When a company is imbued with experience, either because participants have a background in treating companies as cohesive group agents comprised of individuals or because of experimental manipulation, differences in sympathy will disappear.

H4. Senior executives will perceive companies as capable of both agency and experience, and will feel equal levels of anger and sympathy for individuals and companies.

H5. Anthropomorphizing a company will imbue it with experience, and increase levels of sympathy when the company is a victim.

There may be natural variation in the levels of agency and experience people are willing to ascribe to different types of organizations. Organizations that differ in the levels of agency and experience that people perceive them to have will vary in the levels of anger and sympathy they elicit, respectively.

H6. An organization that is seen as relatively higher in experience and lower in agency than a company will elicit less anger as a villain and more sympathy as a victim.

Experiment 1

In Experiment 1 we examined whether there would be an asymmetry in anger and sympathy judgments for companies and people, and whether these judgments would be causally driven by perceptions of agency and experience. We hypothesized that organizations and individuals would be ascribed equal levels of agency, but that organizations would be ascribed lower levels of experience than individuals (H1). Consequently, we hypothesized that organizations and individuals should elicit equal levels of anger for committing identical transgressions, but individuals should elicit higher levels of sympathy as victims of identical transgressions than companies (H2). Across actor types, capacities for agency should predict anger, while capacities for experience should predict sympathy and mediate the difference between individuals and organizations (H3).

Method

Participants in Experiments 1, 3, and 4 were recruited via the Internet and compensated with $0.25 following completion of a questionnaire administered through the Mechanical Turk site run by Amazon.com. All participants were drawn from the United States. The IP addresses of participants’ computers were recorded to ensure that they did not participate in the study multiple times. It has been found that data collected from Amazon’s Mechanical Turk site is as reliable as data gathered through traditional methods (Buhrmester, Kwang, & Gosling, 2011). Participants in all experiments were assigned to conditions randomly, and we recruited more than were necessary in order to account for participants who exited the experiment before beginning, resulting in some non-equal cells. All dependent variables that were analyzed have been reported.

Experiment 1 employed a 2 (actor) by 2 (transgression) between-subjects design. Each participant read one scenario. One scenario involved an individual entrepreneur and the other scenario involved a large technology company. We compared a company to an individual entrepreneur in order to equate as best as possible the individual with the functional roles played by the people who work within a company. One scenario placed the entrepreneur or the company in the role of the villain, and the other scenario placed the actor in the role of the victim. In the villain condition, participants read about the company or the entrepreneur being caught for selling customer information without their permission. Participants were asked to rate how much anger they felt toward the company or entrepreneur in question on a five point Likert scale ranging from “not angry at all” to “extremely angry”. In the victim condition, participants read about the company or the entrepreneur having their electronic security breached in a way that resulted in bankruptcy. Unlike the Target breach in which customer data was compromised, thus making Target both a victim and morally culpable, the victims in our vignettes are the sole victims of the crime and not morally culpable in any way. Additionally, when comparing individuals and companies, the hacking crime always resulted in bankruptcy, thus eliminating any possible inference of the damages being relatively greater for the individual than the company. Participants were asked to rate how much sympathy they had for the company or entrepreneur on a five point Likert scale ranging from “no sympathy at all” to “completely sympathetic”.

In the villain condition, participants also rated the extent to which they believed the company or entrepreneur was “capable of having intentions and goals”, while in the victim condition,
participants also rated the extent to which they believed the company or entrepreneur was “capable of experiencing pain and suffering”. Answers for both items were reported on a five point Likert scale ranging from “not capable at all” to “extremely capable”. Participants’ ratings of capacities for intention were used to assess the perceived agency of the actors, while ratings of capacities for pain were used to assess perceived experience (Gray & Wegner, 2009).

Results

Entrepreneurs (M = 3.95, SD = 1.01, n = 42) received significantly more sympathy than companies (M = 2.93, SD = 1.24, n = 42) when they were victims, t(82) = 4.15, p < .001, d = .92, but no significant differences in anger were found between companies (M = 3.77, SD = 1.09, n = 43) and entrepreneurs (M = 3.56, SD = 1.12, n = 41) when they were villains, t(82) = .86, p = .39. The interaction between anger and sympathy for entrepreneurs and companies was significant, F(1, 164) = 12.74, p < .001, ηp² = .072. Entrepreneurs (M = 4.55, SD = 0.77, n = 42) were seen as more capable of pain and suffering than companies (M = 2.71, SD = 1.31, n = 42), t(82) = 7.81, p < .001, d = 1.72, but no differences in capacities for intentions and goals were found between companies (M = 4.12, SD = 1.00, n = 43) and entrepreneurs (M = 4.21, SD = .91, n = 41), t(82) = .49, p = .62. The interaction between ascriptions of agency and experience for entrepreneurs and companies was significant, F(1, 164) = 30.24, p < .001, ηp² = .156.

Victim type was significantly related to both levels of experience (r = .65, p < .001, n = 84) and levels of sympathy (r = .42, p < .001, n = 84). Additionally, levels of experience were significantly related to levels of sympathy (r = .59, p < .001). To test for mediation of our sympathy variable, we conducted a linear regression and entered victim type and capacity for pain and suffering as predictor variables and sympathy as the outcome variable. The overall equation was significant (r = .59, p < .001). The relationship between victim’s capacity for pain and suffering and sympathy toward the victim remained significant even while controlling for victim type; b = .49; t = 4.71, p < .001. After controlling for victim’s capacity for pain and suffering, the relationship between victim type and sympathy toward the victim was no longer significant; b = .13; t = .45, p = .652. A Sobel test confirmed that participants’ assessments of a victim’s capacity for pain and suffering mediated the relationship between victim type and sympathy (z = 2.10, p = .036). As capacities for intention and goals were unrelated to anger across actor types (r = .076, p = .623, n = 84), no mediation analysis was conducted.

Discussion

As predicted, companies were ascribed significantly lower levels of experience than individuals, but were ascribed equal levels of agency, supporting Hypothesis 1. Companies also elicited significantly less sympathy than individuals as victims of identical transgressions, but elicited equal levels of anger as perpetrators of identical transgressions, supporting Hypothesis 2 (see Fig. 1). Mediation analysis supported a mediation model wherein higher levels of sympathy for individuals compared to companies was due in part to individuals being seen as more capable of having experiential mental states, specifically, capacities for experiencing pain and suffering, providing partial support for Hypothesis 3 (see Fig. 2). Surprisingly, although companies and individuals had equal levels of agency, agency did not predict levels of anger, thus failing to provide full support for Hypothesis 3. The lack of a correlation between agency and anger may have been due to lack of variation between individual entrepreneurs and companies in ratings of agency and anger, as there was no significant difference between the two conditions.

Fig. 1. Mean ratings of anger directed toward humans and companies as villains and their perceived levels of agency, and mean ratings of sympathy directed toward humans and companies as victims and their perceived levels of experience. Error bars represent the 5% confidence intervals.

Fig. 2. A model of mediation indicating that the relationship between victim type and sympathy is mediated by capacity for pain.

Experiment 2

The results from Experiment 1 suggest that participants feel less sympathy for companies than they do for individual entrepreneurs, and that this gap in sympathy is driven in part by participants ascribing lower levels of experience to companies than to people, as suggested by our mediation model. To further examine our causal hypothesis, Experiments 2 and 3 directly investigated whether participants will feel sympathy for companies under conditions where the participants perceive companies as capable of having experiential mental states.

In Experiment 2, we ran our basic design with a sample of senior executives. We hypothesized that whereas participants drawn from the Amazon Mechanical Turk participant pool saw companies as incapable of experience, and hence, undeserving of sympathy, senior executives would see companies as capable of experience, and hence, deserving of sympathy, because of their stronger background leading companies and the people who work in them, navigating corporate crises, and treating the company as a group agent in ways that a typical worker might not (H4). In addition, we asked senior executives to assess how they felt the general public would respond to the same issues in order to examine their awareness of how their perspectives on the mental states and moral entitlements of companies and individuals may differ from others’ perspectives.

Method

Participants in Experiment 2 were drawn from an executive education seminar conducted at Northwestern University. All of the participants were senior executives that specialize in issues related to corporate security, which includes any threats to a...
company’s main assets, such as kidnapping, product tampering and extortion including IT security such as data hacking. For our purposes, they were an ideal population to investigate because they specialize in corporate crises caused by external forces, rather than issues where the company is directly at fault, e.g. a product quality or safety problem.

Experiment 2 employed a 2 (actor) by 2 (transgression) by 2 (perspective) design. Participants were presented with both transgression scenarios from Experiment 1, responding to one vignette about a company and one vignette about an individual entrepreneur. In response to the villain scenario, participants reported their levels of anger toward the villain, and the villain’s capacities for having intentions and goals, while in response to the victim scenario, participants reported their levels of sympathy toward the victim, and the victim’s capacities for experiencing pain and suffering, just as in Experiment 1. In addition to reporting their own responses to the scenarios, the senior executives also reported their beliefs about how ‘the general public’ would respond to each item after they had answered the corresponding item from their own perspective. Thus, a given participant saw eight items in total. As in Experiment 1, all answers were reported on five point Likert scales.

Results

When the senior executives responded from their own perspective, no significant differences in sympathy were found between companies (M = 3.35, SD = 1.09, n = 20) and individual entrepreneurs (M = 3.68, SD = 0.99, n = 22), t(40) = 1.03, p = .31, while individual entrepreneurs were seen as having a marginally higher capacity for pain and suffering (M = 4.63, SD = .65, n = 22) than companies (M = 4.15, SD = 1.13, n = 20), t(40) = 1.72, p = .094 in the victim condition. No significant differences in anger were found between companies (M = 3.64, SD = 1.40, n = 22) and individual entrepreneurs (M = 3.90, SD = 1.12, n = 20), t(40) = .67, p = .51, while companies were seen as having a marginally lower capacity for having intentions and goals (M = 3.63, SD = 1.40, n = 22) than individual entrepreneurs (M = 4.35, SD = .93, n = 20), t(40) = 1.72, p = .063 in the villain condition. Capacities for experience were not significantly related to levels of sympathy, r(40) = .25, p = .108, nor were capacities for agency significantly related to levels of anger r(40) = .03, p = .863.

However, when answering based on how they felt the general public would respond, the senior executives replicated the basic pattern seen in Experiment 1. As victims, individual entrepreneurs (M = 3.63, SD = 1.09, n = 22) received significantly more sympathy than companies (M = 2.60, SD = 1.27, n = 20), t(40) = 2.84, p = .007, d = .90, while individual entrepreneurs (M = 4.09, SD = 0.92, n = 22) were seen as more capable of feeling pain and suffering than companies (M = 2.75, SD = 1.29, n = 20), t(40) = 3.90, p < .001, d = 1.23. As villains, no significant differences in anger were found between companies (M = 4.23, SD = .87, n = 22) and individual entrepreneurs (M = 4.05, SD = .89, n = 20) in the villain conditions, t(40) = .65, p = .52, nor were differences in capacities for having intentions and goals found between companies (M = 3.36, SD = 1.47, n = 22) and entrepreneurs (M = 3.75, SD = 1.29, n = 20), t(40) = .90, p = .37. Capacities for experience were significantly related to levels of sympathy, r(40) = .58, p < .001, while capacities for agency were not significantly related to levels of anger r(40) = .18, p = .264.

Discussion

As predicted, when senior executives responded from their own perspective, they ascribed equal levels of experience to companies and people, and differences in sympathy elicited by companies and people disappeared, supporting Hypothesis 4 and providing additional support for Hypothesis 3. At the same time, when responding from the perspective of the general public, senior executives replicated the pattern seen in Experiment 1, ascribing higher levels of experience and more sympathy to individuals than companies (see Fig. 3). When responding from their own perspective, levels of experience did not significantly predict levels of sympathy, but levels of experience did significantly predict levels of sympathy when executives responded from the perspective of the general public. As in Experiment 1, the mental state ascription measures and the moral judgment measures were only correlated when there was a significant difference between conditions, suggesting that when conditions were not significantly different, there was inadequate variation in scores to detect correlation.

Experiment 3

Whereas Experiment 2 investigated a population of participants that already imbue companies with higher levels of experience, in Experiment 3 we directly manipulated the extent to which participants would ascribe capacities for experience to a specific company. In Experiment 3, we predicted that anthropomorphizing a company would increase participants’ perceptions of the company’s capacities for experience, and consequently lead the company to elicit more sympathy following victimization (H5). As companies are already seen as possessing a high level of agency, we predicted no change in levels of agency or anger toward the company as a villain.

Method

Experiment 3 employed a 2 (anthropomorphism) by 2 (transgression) between-subjects design. Each participant read a single vignette. Participants in the anthropomorphism condition were first asked to imagine that Google ‘had come to life as a person’. Participants were told to take a few minutes to describe ‘what kind of a person Google would be in terms of its personality, physical appearance, opinions, conversational style, social approach, profession, and so forth’. Previous research has supported the efficacy of this manipulation in priming behavior (Aggarwal & McGill, 2012). Had we asked participants to imagine a group of Google users or employees, Experiment 3 would have simply replicated our previous studies by comparing individuals to companies. By asking participants to imagine the company Google as a person, the manipulation cleanly manipulates mental state ascription to the company per se, rather than shifting participants from considering the company versus considering individuals. Following the anthropomorphism manipulation, participants were presented with
either the villain scenario or the victim scenario. In the villain scenario, participants were told that recently it had been discovered that many of Google’s innovations had come about through industrial espionage, wherein they had stolen ideas from independent inventors and recast them as their own. Participants in the villain conditions completed the five point Likert scale measures for agency and anger from Experiment 1. In the victim scenario, participants were told that Google had been the victim of industrial espionage, and as a result had lost millions of dollars. Participants in the victim conditions completed the five point Likert scale measures for experience and sympathy from Experiment 1. The procedure was identical for participants in the control condition, with the exception being that they were not exposed to the anthropomorphism manipulation.

Results

Anthropomorphized Google (M = 3.30, SD = 1.29, n = 113) elicited significantly more sympathy than non-anthropomorphized Google (M = 2.94, SD = 1.18, n = 94) when they were villains, t(205) = 2.10, p < .037, d = .29. No significant differences in anger were found between anthropomorphized Google (M = 3.14, SD = 1.20, n = 110) and non-anthropomorphized Google (M = 3.18, SD = 1.26, n = 95) when they were villains, t(203) = .247, p = .81. The interaction between anger and sympathy for anthropomorphized and non-anthropomorphized Google was marginally significant, F(1, 408) = 2.77, p = .097, n^2_p = .007. Anthropomorphized Google (M = 3.70, SD = 1.10, n = 113) was seen as more capable of experiencing pain and suffering than non-anthropomorphized Google (M = 2.40, SD = 1.33, n = 94), t(205) = 7.66, p < .001, d = 1.07. A marginally significant difference in capacities for intentions and goals was found between anthropomorphized Google (M = 4.24, SD = .80, n = 110) and non-anthropomorphized Google (M = 4.03, SD = .95, n = 95), t(203) = 1.67, p = .096. However, the interaction between agency and experience for anthropomorphized and non-anthropomorphized Google was significant, F(1, 408) = 27.24, p < .001, n^2_p = .063, indicating that differences in experience were significantly greater than differences in agency.

Anthropomorphism condition was significantly related to both levels of experience (r = .47, p < .001) and levels of sympathy (r = .15, p = .037). Additionally, levels of experience were significantly related to levels of sympathy (r = .52, p < .001). To test for mediation of our sympathy variable, we conducted a linear regression and entered anthropomorphism condition and capacity for pain and suffering as predictor variables and sympathy as the outcome variable. The overall equation was significant (r = .54, p < .001). The relationship between victim’s capacity for pain and suffering and sympathy toward the victim remained significant even while controlling for anthropomorphism condition: b = .58; t = 8.70, p < .001. After controlling for victim’s capacity for pain and suffering, the relationship between anthropomorphism condition and sympathy toward the victim was no longer significant; b = -.13; t = -1.94, p = .053. A Sobel test confirmed that participants’ assessments of a victim’s capacity for pain and suffering partially mediated the relationship between actor type and sympathy (z = 5.77, p < .001). As capacities for intention and goals were unrelated to anger across actor types (r = -.07, p = .35, n = 205), no mediation analysis was conducted.

Discussion

As predicted, anthropomorphized Google elicited significantly higher levels of sympathy than non-anthropomorphized Google, while eliciting equal levels of anger (H5). Anthropomorphized Google was seen as having significantly higher capacities for experience than non-anthropomorphized Google, while being seen as having marginally higher levels of agency (see Fig. 4). As in Experiment 1, we supported a mediation model wherein anthropomorphized Google elicited higher levels of sympathy because it was seen as more capable of experiencing pain and suffering.

Experiment 4

Whereas Experiments 2 and 3 examined differences in perceptions of a company’s experience but not its agency, in Experiment 4, we examined anger and sympathy toward organizations that vary in the levels of agency and experience ascribed to them. In particular, we hoped to identify a type of organization that was perceived as higher in experience and lower in agency than companies, with the added advantage that these ratings would be collected independently from the anger and sympathy judgments. In the previous experiments, the same participants provided both the mental state ascriptions and the moral judgments. By assessing mental states and moral judgment with different sets of participants, we eliminated any possibility of the responses being influenced by each other. We hypothesized that an organization seen as higher in experience but lower in agency than a company would elicit less anger as a villain than an individual or a company, and more sympathy as a victim than a company (H6).

Pilot study

An initial pilot study was conducted to explore how people perceived the agency and experience of eight different kinds of organizations, including large multi-national companies, non-profit organizations, small businesses, government, protest groups, sports teams, charities, and churches. Participants were told that they would be asked to make judgments about the extent to which these different organizations have ‘minds’, defined as ‘capacities for intention (e.g. planning), cognition (e.g. memory), and emotion (e.g. complex feelings)’. Participants were then presented with Gray et al.’s (2007) 18 item ‘mind perception’ scale, which was designed to capture capacities for agentic and experiential mind attributes. For each item, participants were asked to rank each of the organizations from 1 to 8, where a rank of 1 indicated that the organization was seen as most capable of the mental state in question, and a rank of 8 indicated that the organization was seen as least capable of the mental state in question. We combined the measures to form composite average ranks for agency and experience among the eight organizations.

Non-profit organizations ranked highest in perceived capacities for agency, followed by small businesses, charities, churches,
multinational companies, protest groups, professional sports teams, and government. Meanwhile, professional sports teams ranked highest in perceived capacities for experience, followed by nonprofit organizations, protest groups, small businesses, churches, charities, multinational companies, and government. As indicated by the rankings, some organizations, such as nonprofit organizations, were seen as high in both agency and experience, while other organizations, most notably government, were seen as low in both agency and experience. As professional sports teams were seen as relatively high in experience and low in agency compared to companies, they served as an ideal contrast to companies. In Experiment 4 we hypothesized that a sports team would elicit more sympathy as a victim than a company because sports teams are seen as relatively high in experience, and less anger as a villain than a company or an individual because sports teams are seen as relatively low in agency.

Method

Experiment 4 employed a 3 (actor) by 2 (transgression) between-subjects design. Participants were presented with a single vignette. The vignettes presented the participants with either an individual entrepreneur, a large company, or a professional sports team in the role of either a villain or a victim of a transgression. The villain and victim scenarios were the same as those used in Experiment 1, with the villain scenario focusing on a case where the actor sold customer information to advertisers, and the victim scenario focusing on a case where the actor’s account was hacked, resulting in bankruptcy. Thus, for the sports team variant, the team either sold information about its ticketholders to advertisers (villain condition) or the team’s accounts were hacked resulting in bankruptcy (victim). After reading the vignette, participants in the villain conditions rated how much anger they felt toward the villain and participants in the victim conditions rated how much sympathy they felt toward the victim using the same five point Likert scales from Experiment 1.

Results

A one-way ANOVA revealed a main effect of condition on sympathy toward victims, F(2, 250) = 41.77, p < .001. Tukey post hoc comparisons of the three groups indicated that participants felt significantly less sympathy toward a villain when it was a company (M = 2.83, 95% CI [2.57, 3.08]) than when it was a sports team (M = 3.48, 95% CI [3.24, 3.72]), p < .001 or an individual entrepreneur (M = 4.28, 95% CI [4.10, 4.45]), p < .001. Participants also felt significantly less sympathy toward a sports team than toward an individual entrepreneur, p < .001.

A one-way ANOVA revealed a main effect of condition on anger toward villains, F(2, 254) = 5.19, p = .006. Tukey post hoc comparisons of the three groups indicated that participants felt significantly less anger toward a villain when it was a sports team (M = 3.42, 95% CI [3.18, 3.67]) than when it was a company (M = 3.85, 95% CI [3.60, 4.09]), p = .030 or an individual entrepreneur (M = 3.92, 95% CI [3.71, 4.13]), p = .009. No significant differences in anger were found between the individual and company conditions, p = .91. The interaction between anger and sympathy among the three groups was significant, F(1, 504) = 19.73, p < .001, $\eta^2_p = .073$.

Discussion

As predicted based on the relatively lower levels of agency and higher levels of experience ascribed to sports teams compared to companies, sports teams elicited more sympathy as a victim and less anger as a villain than a company. Sports teams also elicited less anger as a villain than an individual entrepreneur, but also elicited less sympathy as well, suggesting that even organizations that are seen as relatively high in experience may still be lacking in experience compared to individuals, and elicit less sympathy than individuals as a result (see Fig. 5).

General discussion

Across four experiments and a pilot study, we demonstrated that companies are seen as being capable of ‘thinking’, but not ‘feeling’, and as a result, they elicit anger for their transgressions, but fail to elicit sympathy as victims. These effects hold even under conditions where companies are the only victims and their loss is extreme. Mediation analyses supported our hypothesis that lack of experiential mental states lead companies to elicit less sympathy as victims (Experiments 1). When we consulted the intuitions of senior executives who have a background leading companies during corporate crises and working with companies as cohesive group agents, perceptions of a company’s capacity for experience increased, and sympathy was restored (Experiment 2). Interestingly, senior executives replicated the basic findings from Experiment 1 when responding from the perspective of the general public, suggesting they are aware of how companies are perceived and evaluated by outsiders. When we directly manipulated perceptions of a company by anthropomorphizing the company Google, sympathy was once again restored, and this effect was mediated by perceptions of experience (Experiment 3). Finally, when we examined an organization seen as more capable of experience than agency, it elicited less anger as a villain and more sympathy as a victim than a company, while still eliciting less sympathy than an individual (Experiment 4).

By comparing individuals, companies, and other organizations using mediation analyses, comparisons of different participant populations, experimental manipulations of a specific company, and comparisons of different organizations, our results provide powerful evidence that perceptions of experience drive feelings of sympathy and perceptions of agency drive feelings of anger. Moreover, we demonstrate that not all mental capacities scale up from individuals to organizations equally in ways that are critical for moral judgment.

Our results are not likely due to a general negativity bias toward companies compared to people. First, a generalized bias would suggest that in addition to eliciting less sympathy, companies should have elicited more anger than individuals, but we consistently found that individuals and companies elicited equal levels of anger. Second, negative affect toward companies would not have predicted the mental state asymmetry between ascriptions of agency and experience for companies, nor its predictive role in
moral judgments of anger and sympathy. This is particularly true of Experiment 4, where judgments of agency and experience were collected independently of judgments of anger and sympathy. At the same time, future studies should investigate more closely how an organization’s levels of agency and experience relates to its warmth and competence, as the latter has been the focus of previous research (Aaker et al., 2010; Kervyn et al., 2012).

Why are companies imbued with agency, but not experience?

As discussed earlier, there are two competing hypotheses for why people might be unwilling to ascribe experiential mental states to companies. Knobe and Prinz (2008) suggest that companies have the particular attribute of being an actor composed of other actors, and that perhaps this attribute makes them intrinsically ineligible for experiential mental states, which they posit may be more sensitive to an actor’s physical constitution than agentic mental states. In contrast, Sytsma and Machery (2009) and Phelan et al. (2012) suggest that there is nothing intrinsic about companies or group actors per se that requires participants to ascribe low levels of experience to them. Instead, these authors suggest that working in companies is associated with functional roles that require capacities for agency in particular. When people think about companies, they think about the people who work in the companies, particularly in regard to their work responsibilities, which require agentic mental states, such as capacities for having intentions and goals. If participants associated work in companies with functions that required experiential mental states, then participants would imbue companies with experience.

On the surface, there is no obvious reason why the functional roles associated with companies would differ dramatically from those associated with individual entrepreneurs, and so the results from Experiment 1 appear to support Knobe and Prinz’s (2008) view that groups, by their very nature, cannot be imbued with high levels of experience. On the other hand, the findings from the senior executives in Experiment 2 suggest that some people do imbue companies with experience. Our most relevant results come from Experiment 4. Sports teams were seen as having lower levels of agency and higher levels of experience than companies, and elicited less anger and more sympathy than companies, suggesting that levels of experience and agency in organizations may be driven by the functional roles associated with those organizations. At the same time, sports teams were rated the highest among organizations in levels of experience, and yet they elicited less sympathy than individuals, suggesting that people may be wary of ascribing experiential mental states even to organizations whose functional roles are most associated with experience. Thus, our findings could be construed as providing support both for the hypothesis that people think of organizations in terms of the people who comprise them and what their roles are, as well as for the hypothesis that there is something about organizations per se that impairs their ability to be imbued with experiential mental states. Future research will be necessary to tease apart the relative contributions of these mechanisms in explaining asymmetries in mental state ascription to organizations.

Implications

As discussed earlier, other approaches to explaining the sympathy gap between individual victims and group victims have tended to focus on how cognitive processing constraints on observers, such as their inability to vividly represent groups of victims, compromises their ability to feel sympathy for their suffering (Kogut & Ritov, 2005; Slovic, 2007; Small & Loewenstein, 2003). However, as we discussed earlier, processing constraints alone cannot account for differences in sympathy. There must be a role for cognitive appraisal of the victims as deserving of sympathy. Our findings suggest that in some instances, people may hold the belief that certain kinds of groups are less capable of having experiential mind states, such as feelings of pain and suffering, and hence, they infer that no sympathy is warranted. Future studies should investigate the role of mental state ascription in the context of sympathy and helping toward groups of sufferers outside of organizational contexts. Provocatively, our results also suggest that organizations low in agency may have an advantage against individuals in disputes, such as if the public is more sympathetic to a team than to an individual player in a contract dispute. Future studies should investigate how mental state ascriptions of agency and experience inform adjudications of disputes by third parties.

For companies, our paper provides one explanation as to why they elicit anger for their transgressions, but often fail to elicit sympathy as victims. But if companies cannot be victims, must they be villains? And if so, how should they respond following a reputational crisis such as the one experienced by Target? One approach would be to accept punishment or self-impose sanctions in order to rectify their transgression. But what satisfaction is gained if the object of retributive punishment lacks the capacity for suffering? People may demand greater punishment or feel less satisfaction from punishment if companies are seen as low in experience, they may also be seen as marginally less capable of agency in victim and hero contexts compared to villain contexts. Furthermore, we suggested in Experiment 2 that executives’ greater work experience in leading companies and working with them as a cohesive unit may generate stronger perceptions of experience. However, executives are also more heavily invested in the fate of companies, and so they may be selfishly biased toward perceiving greater experience in companies. Further investigations into how perceptions of agency and experience are generated are needed to tease these factors apart. One possible approach would be to investigate perceptions of agency and experience of groups cross-culturally. Previous research has already found that cultures differ in their ascriptions of agency to groups in ways that have consequences for moral judgment (Menon, Morris, Chiu, & Hong, 1999; Morris, Menon, & Ames, 2001). Future studies should investigate whether there are cross-cultural differences in perceptions of experience in group agents and possible consequences for moral judgment. Regardless of how perceptions of experience are generated, our findings suggest that they are important for eliciting sympathy toward victims.

For companies, our paper provides one explanation as to why they elicit anger for their transgressions, but often fail to elicit sympathy as victims. But if companies cannot be victims, must they be villains? And if so, how should they respond following a reputational crisis such as the one experienced by Target? One approach would be to accept punishment or self-impose sanctions in order to rectify their transgression. But what satisfaction is gained if the object of retributive punishment lacks the capacity for suffering? People may demand greater punishment or feel less satisfaction from punishment if companies are seen as low in experience, and hence, incapable of suffering.

Rather than accept the role of a villain, we suggest that companies leverage their agency by transforming into heroes (Diermeier, 2011). When a killer contaminated bottles of Tylenol with cyanide that resulted in seven deaths in Chicago in 1982, Johnson and Johnson, the maker of Tylenol, did not cast themselves as victims of product tampering. Rather, they took the lead in developing tamper-proof gelcaps and sealed containers that are required for all pharmaceuticals (Diermeier, 2011). Our findings suggest that Tylenol remains a classic example of successful crisis management because as a company, it was perceived as high in agency, and hence, was able to elicit moral praise for strong leadership.
Acknowledgments

Preparation of this paper was supported by the Ford Motor Company Center for Global Citizenship. Special thanks to Julia Hur, Keith Murnighan, Daniel Effron, Brian Lucas, Doug Medin, Rachel Ruttan, Sonya Sachdeva, and Adam Waytz for helpful comments on study design and methods.

References