

The Stereotype Rub-Off Effect – Organizational Affiliation affects individual's stereotypes and increases public punishment for moral transgressions

Abstract

Why are moral transgressions judged more harshly by the public when they are committed by employees of non-profit compared to for-profit organizations? In a series of three studies (total N=1000), we show that as a result of high perceived morality and warmth and subsequent expectations of communal sharing behavior, transgressions of employees affiliated with non-profit organizations prompt increased expectancy violation in observers, leading to harsher punishment.

Main Findings:

- ❖ Organizational stereotypes of morality, warmth and competence are applied at the individual level, such that employees of non-profit organizations are perceived as strongly moral and warm individuals.
- ❖ As a result of high perceived morality and warmth and subsequent expectations of communal sharing, transgressions of employees affiliated with non-profit organizations prompt increased expectancy violation in observers, leading to harsher punishment.

Theoretical framework

We draw from previous literature on organizational stereotypes (Aaker et al., 2010, Aaker et al., 2012), relational models (Fiske, 1992; Haslam, 1995) and expectancy violation (Burgoon, 2015; Cohen 2010) to identify the underlying process explaining the public's differential reactions to transgressions of employees affiliated with non-profit and for-profit organizations.

H1a: Affiliation with non-profit organizations increases perceived morality and warmth of employees.

H1b: Affiliation with for-profit organizations increases perceived competence of employees.

H2a: The public expects highly moral and warm individuals to act in line with communal sharing principles.

H2b: The public expects highly competent individuals to act in line with market pricing principles.

H3a: The public experiences greater expectancy violation when transgressions are committed employees affiliated with non-profit organizations.

H3b: The public experiences less expectancy violation when transgressions are committed by employees affiliated with for-profit organizations.

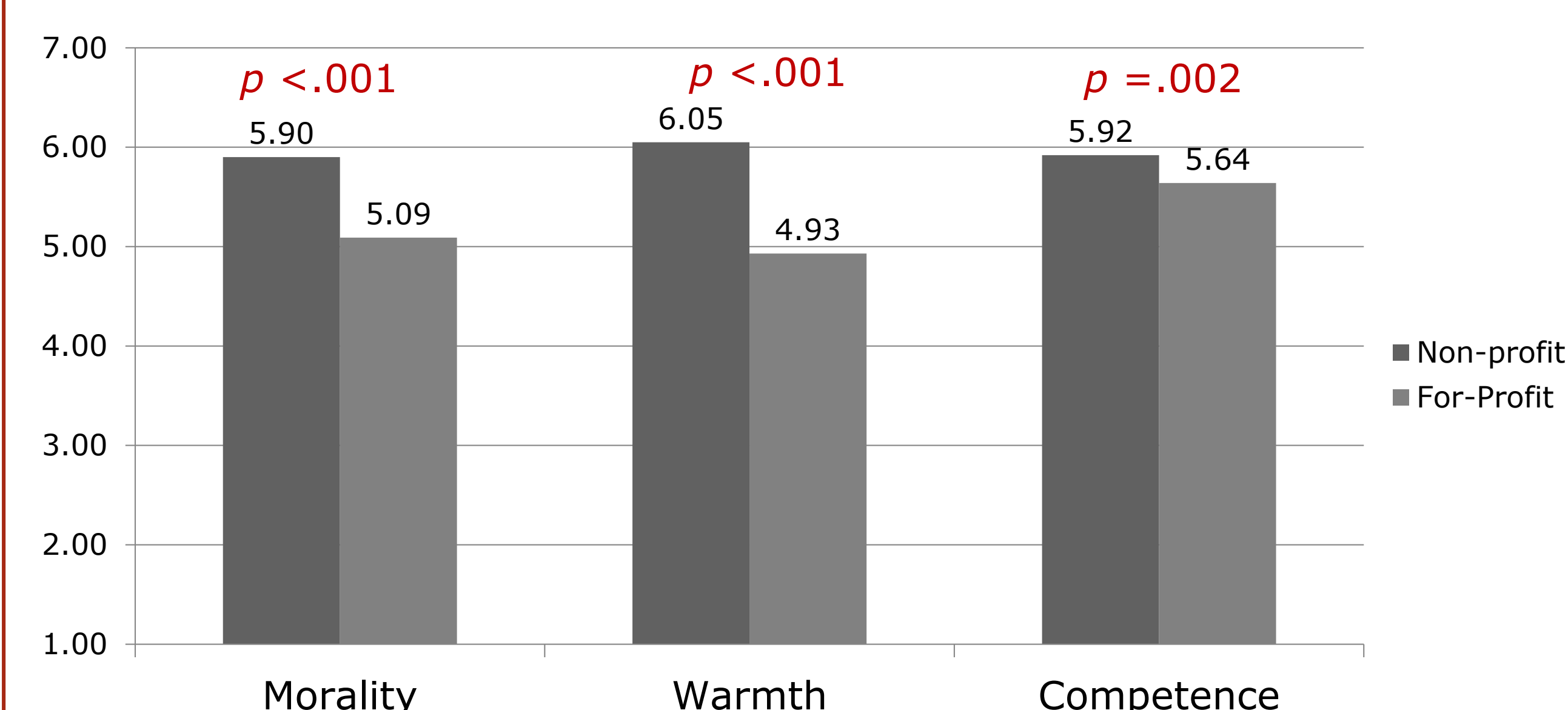
H4: The relationship between organizational affiliation and punishment is sequentially mediated by morality, warmth and competence stereotypes (M1), expectations of MP and CS behaviour (M2) and expectancy violation (M3).

Study 1: Test H1a, H1b

Design For-profit vs. non profit, between subjects design

Sample N = 300 MTurkers

Procedure Participants were given a short, neutral description of Bob Miller, working for either for Save the Children or Coca-Cola (organizations pre-tested).



Dependent variables Morality, Warmth, Competence

Results Participants perceived Bob Miller as significantly more moral when he was affiliated with a non-profit as opposed to a for-profit organization. He was also seen as significantly warmer when affiliated with a non-profit compared to a for-profit organization. Surprisingly, employees of non-profit organizations were also perceived as slightly more competent.

Study 2: Test H2a, H2b

Aim Show the link between organizational stereotypes and expected behavior

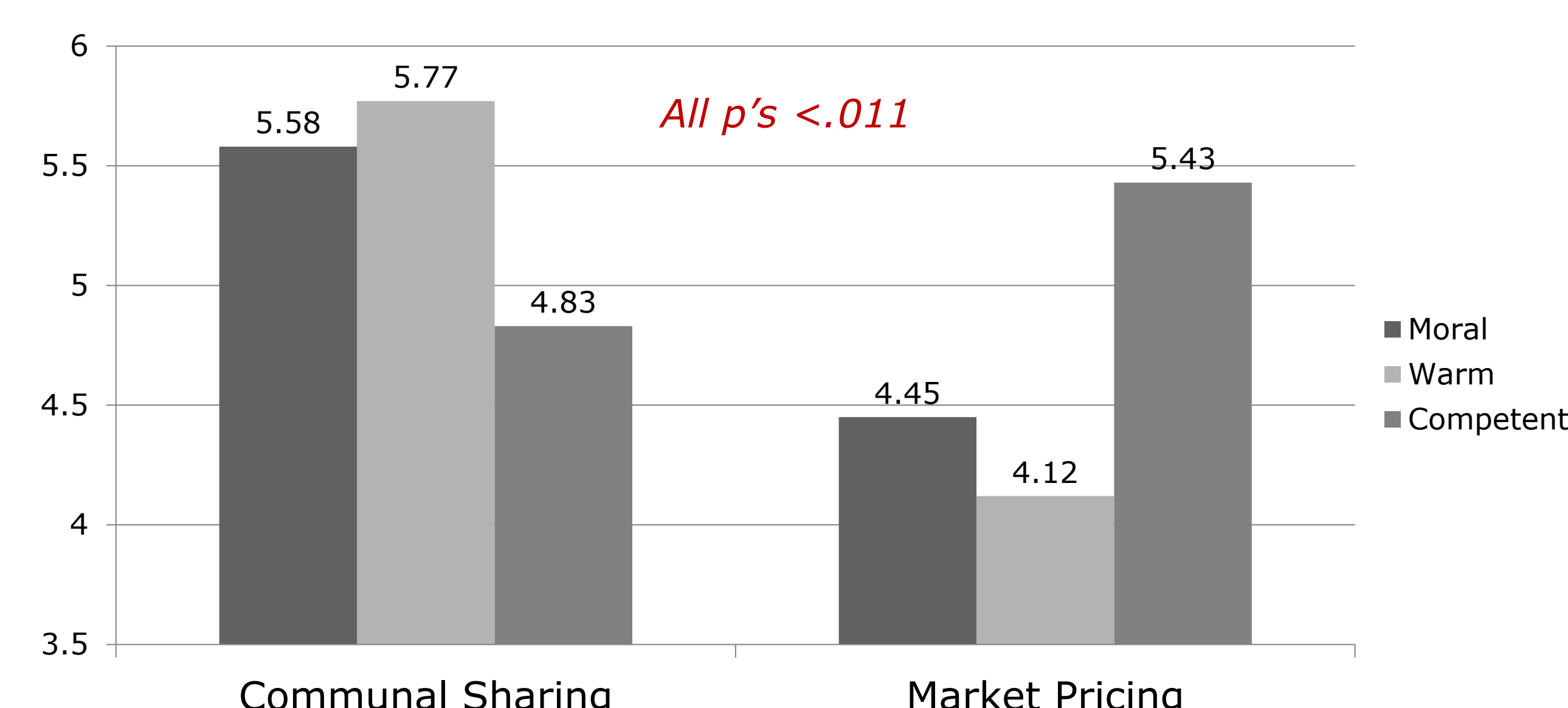
Design 3 (Moral vs. Warm vs. Competent) BS design

Sample N = 300 Mturkers

Procedure Participants were presented with a short description of Bob Miller, framing him as either strongly moral, warm or competent. We measured expected communal sharing and market pricing behavior.

"Bob Miller is an American, male and 43 years old. He lives in a mid-sized city in the United States." In addition, Bob Miller is an especially *honest/friendly/intelligent* person. Family, friends and co-workers agree that he is one of the most *trustworthy/warm/competent* and *sincere/skilled* people they have ever met"

Dependent variables Expected Communal Sharing behavior, Expected Market Pricing behavior



Results: Strong perceptions of morality and warmth prompt increased expectations of communal sharing behavior. Strong perceptions of competence prompt expectations of market pricing behavior.

In our final study, we examine how behavioral expectations of communal sharing and market pricing influence expectancy violation and punishment when employees affiliated with non-profit or for-profit organizations transgress social norms.

References

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Study 3: Test H3a, H3b, H4a, H4b

Aim Examine downstream consequences of the stereotype rub-off effect in case of moral transgressions

Design 2 (Organizational Affiliation: Non-profit vs. For-profit) x 2 (Transgression: transgression vs. no transgression) BS design. Tested with Custom moderated mediation PROCESS model (Hayes, 2017).

Sample N = 400, representative Dutch consumer panel.

Procedure We invited participants to a "decision-making game" and asked them to form an impression of one of the other participants (Bob Miller). For this fake participant we provided information on age, gender and organizational affiliation to either the WWF or Coca-Cola. We measured perceived, morality, warmth and competence, and expected communal sharing and market pricing behavior. Next, participants observed Bob Miller's decision in a dictator game. In the transgression condition, Bob kept 80 of 100 chips each worth 10 cents, to himself, sharing only 20 with another (fake) participant. In the no transgression condition, Bob allocated chips fairly (50-50). We measured expectancy violation and gave participants the opportunity to punish Bob's behavior. Each participant had 50 chips, which they could give up to lower Bob's chips by three times the amount given up. We randomly selected 20 participants who received their chips as a bonus to their compensation.

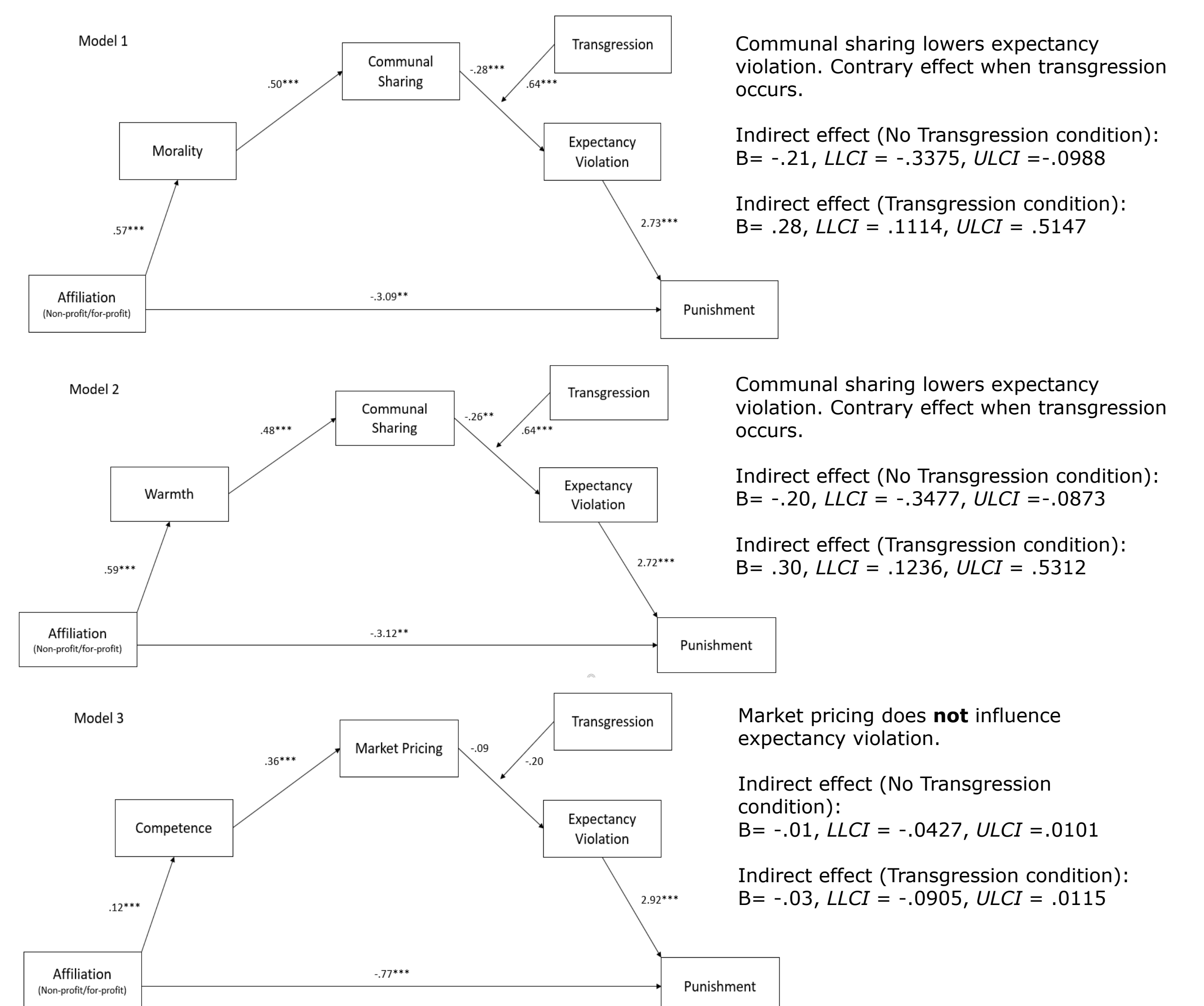
We examine 3 sequential mediation models.

Dependent variables Punishment

Mediators Morality, communal sharing, expectancy violation

Alternative mediators Warmth, Competence, market pricing

Moderator Transgression



Discussion

This research shows that as a result of high perceived morality and warmth and subsequent expectations of communal sharing behavior transgressions of employees affiliated with non-profit organizations prompt increased expectancy violation in observers, leading to harsher punishment by the public.

Our findings underline the relevance of anticipating potential hazards for organizational reputation that might result from employees' transgressions. Importantly, our findings suggest that adequate and fast responses to scandal and crisis may be particularly relevant for non-profit organizations. Negligence of non-profit organizations' potential vulnerability to the public's condemnation might ultimately impair the positive contributions of non-profit organizations to society and calls for further identification of stereotypes in stakeholder management.