

ABSTRACT

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Organizational decision making regarding which causes and beneficiaries to support:

How do organizations decide among alternatives on altruistic grounds?

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Abstract:

When it comes to the altruistic behavior of organizations there is exceedingly little information on how organizations decide which causes and beneficiaries to target. If the impure or self-interested aspects of organizational altruism can be equally well served by support of multiple different causes, how do organizations decide to whom they will target their altruistic efforts? Psychological, economic, and marketing research answers this question to some degree at the individual level, but far less so at the organizational level. Similarly, a while strong trend has developed to try support only the most effective altruistic interventions, knowing which ones those are is exceedingly difficult.

We find four main paradigms that might explain how altruistic decisions are made in organizations: A rationalist paradigm that posits that decisions are, or should be, made based on some form of utility maximization strategy, where utility is the well-being of some target beneficiary; an emotional paradigm that posits that altruistic decision making stems from emotional and intuitive moral judgments; a cognitive paradigm that posits that cognitive heuristics and prototypes are the dominant mechanism, and a relational paradigm that posits that decision makers choose interventions based not on the potential of the intervention but on relational considerations (trust, network ties, mutual benefits).

To investigate if and how these four paradigms may function, we use a multiple case study methodology to deeply understand and map how altruistic decision making may occur in organizations.

As we finish mapping each case study's decision-making process, several possibilities exist. We expect to find that decision making regarding altruism in organizations follows some combination rational, emotional, cognitive, and relational logic. We also may find a temporal aspect or boundary conditions for when certain paradigms are dominant or absent. We may also find so-far unknown characteristics of altruistic decision making.

Regardless of the specific findings, the deeper understanding of the mechanisms behind altruistic decision making, and can inform a broader understanding of how organizations make specific choices to support specific pro-social causes and partnerships. It should also help illuminate how much of the currently individual-level understandings of altruistic behavior translate to the organizational level.

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