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How leaders can create intergenerational systems to promote organizational sustainability



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Most leadership decisions involve an inherent trade-off between the allocation of current and future gains and burdens. Take, for example, an executive who may need to choose between employing a sustainable, expensive source of energy that will conserve resources for future generations but have a negative effect on current profits; and saving money by using a nonrenewable resource that could later pollute the environment and negatively affect future social actors. Or, as another example, consider a manager who is about to leave a company. He contemplates investing significant time to mentor a new generation of employees, but because he will obtain no direct benefits, he might choose instead to spend time on activities that offer him immediate gains, but leave employees unprepared to effectively contribute to the company. In both of these examples, as in many everyday organizational decisions, there is a trade-off between benefiting or burdening oneself or one's group in the present, and benefiting or burdening future social actors. These decisions can have long-lasting repercussions on the strategic focus of an organization and ultimately its viability in the marketplace. Intergenerational decisions—decisions made today that affect future others—are, therefore, central to determining the longevity and sustainability of organizations.

In a number of past studies, Wade-Benzoni and her colleagues have found that when decisions are both interpersonally and inter-temporally separate from the person making a decision, it is difficult for that person to fully envision or understand the impact of his or her decisions on others. Indeed, not only are leaders frequently called upon to make intergenerational decisions that might affect multiple generations of people they will never meet; they are also tasked with designing organizational systems

and structures that stimulate the ongoing welfare of the organization and its stakeholders. These intergenerational systems facilitate leaders' ability to promote stewardship of the organization, whereby current members willingly sacrifice their own self-interest to promote long-term, communal wellbeing. It is important to note that these organizational design elements are not static. Instead, the intergenerational systems that leaders create evolve through iterative exchanges among organizational members and other stakeholders, forming a dynamic, complex cycle of intergenerational reciprocity in which governance of the organization involves collaborative exchanges between its members.

Despite the broad range of strategies explored in the intergenerational literature, the majority of approaches have focused on understanding how a leader *thinks* about the decisions that affect multiple generations. What is relatively underexplored is how different emotional pathways affect leadership effectiveness and sustainability. Thus, we begin by examining a relatively underdeveloped factor in intergenerational decision making: the role of moral emotions. Integrating these insights and drawing from the existing literature on intergenerational decision making, we then discuss specific individual-, group-, and organizational-level strategies for how leaders can create intergenerational systems to promote organizational sustainability.

THE ROLE OF MORAL EMOTIONS IN CREATING POSITIVE INTERGENERATIONAL SYSTEMS

Researchers and practitioners alike are increasingly acknowledging the pivotal role of emotion in decision making

processes, particularly in decisions involving ambiguity and uncertainty, such as those with long-term ethical implications. Research has shown that decision makers are more often guided by intuition and emotions, as compared to reasoning, when reaching moral decisions, and that the exclusion of emotion (mainly, moral emotions) in these processes can prompt individuals to behave more unethically and less pro-socially. Specifically, scholars have argued that reasoning alone is not enough to generate the necessary motivation for individuals to engage in moral behavior, but instead moral emotions are described as facilitating the cognitive and intrinsic motivational states that individuals need to enact behaviors that benefit others.

The story of Ray Anderson, for example, reflects the power of moral emotions in prompting change and positive intergenerational behavior. For many years, Anderson, the founder and chairman of Interface, Inc., one of the leading carpet manufacturers in the world, had not been concerned with ecology or sustainability issues. Then, in 1994, tasked with developing an environmental vision for the company, he read Paul Hawken's book *The Ecology of Commerce* and, in his own words, Anderson had an epiphany: "I wasn't halfway through the book before the vision I sought became clear, along with a powerful sense of urgency to do something. Hawken's message was a spear in my chest that remains to this day." Anderson experienced both the effect of moral elevation from contemplating the immense positive value he could bring to future generations through a more sustainable business and the effect of moral outrage at his own previous passivity. He subsequently transformed these emotions into a compelling vision, which outlined specific implementation strategies for the organization. These efforts helped foster the company's worldwide reputation for its successful model of sustainability.

Within the context of intergenerational decision making, we argue that merely *thinking* of an intergenerational action as right or wrong is not enough to motivate moral behavior if the decision maker does not *feel* the rightness or wrongness of the action. In particular, we examine the affective mechanisms through which past behavior can contribute to building positive intergenerational systems in organizations

by exploring how emotional reactions to the behavior of past generations encourage positive or negative behavior toward future others. Such an examination of moral emotions is especially important if we consider the principle of intergenerational reciprocity. Wade-Benzoni and colleagues have proposed and shown that when individuals make decisions that affect future generations, an important consideration is how those individuals were treated by previous generations. Specifically, the principle of intergenerational reciprocity can explain why decision makers of one generation would act on behalf of future generations who do not yet exist or who are unknown to the decision maker.

As shown in Fig. 1, moral emotions can contribute to the creation of positive cycles of intergenerational reciprocity, building the foundation for positive intergenerational systems, through two pathways that occur: (1) when decision makers have experienced or witnessed **benefits** from the actions of previous generations; and (2) when decision makers have experienced or witnessed **burdens** from the actions of previous generations.

Allocation of Benefits by Past Generations

The role of gratitude

Intergenerational reciprocity is a powerful force. For instance, when an employee has had a mentor who went above and beyond the call of duty to ensure that this employee received all of the key pieces of information necessary to execute the job or to become more easily acclimated, the employee is likely to feel grateful for the support he or she received. This gratitude can in turn propel him or her to "repay the debt" by showing similar positive behavior toward the next generation. Gratitude has been shown to serve an important moral motive function by encouraging the grateful person to behave pro-socially, even toward third parties who are unrelated to the cause of the gratitude, and by also discouraging individuals from engaging in actions that could harm or burden others. Moreover, gratitude might not only prompt positive intergenerational behavior but also shape social norms to guide the group or organization's intergenerational actions and policies.

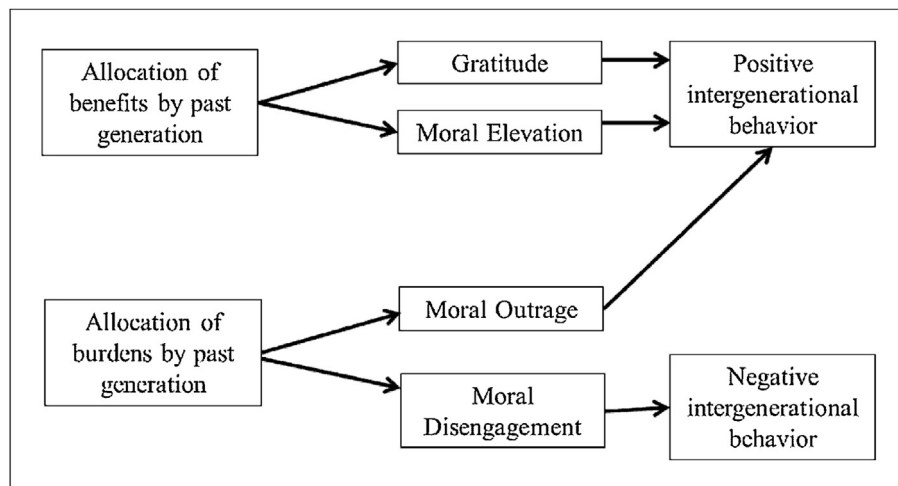


Figure 1 The Role of Moral Emotions within Intergenerational Systems

The role of moral elevation

Organizational members may not only have experienced the benefits of the behavior of past generations themselves but also (or instead) witnessed such behavior benefit a third party. In such a case, individuals can experience moral elevation, which is the emotional response to the perception of moral beauty or moral excellence, and is described as a feeling of warmth and expansion, accompanied by admiration, affection, and even love for people whose exemplary behavior is being observed. When witnessing acts that represent examples of humanity's better or higher nature, and when this witnessing is accompanied by the emotion of moral elevation, individuals experience an increased desire to become a better person, and to open their hearts not just to the person who triggered the feeling but to others as well. As a consequence of this, moral elevation is usually accompanied by the tendency to attempt to emulate the moral example by engaging in behaviors that benefit others. Moral elevation can also function as a "moral reset button" by helping people reverse negative or selfish behavior toward others, thus creating long-term moral growth in individuals.

Taken together, the allocation of benefits by past generations not only establishes the social norm of appropriate behavior toward future generations but also can generate compelling positive emotions (e.g., gratitude, moral elevation) that provide the necessary motivation for decision makers to avoid burdening and attempt to actively benefit future others, thus creating positive cycles of intergenerational reciprocity.

Allocation of Burdens by Past Generations

The role of moral outrage

Consider the example of a previous generation of decision makers at a fishery who harvested more than recommended by environmental organizations; their actions have caused a negative impact on the current condition of the fishery (i.e., this fishery would be much healthier today if the previous generation had considered the long-term consequences of its actions and acted to preserve these resources). This scenario could create a norm of negative intergenerational reciprocity whereby future decision makers reciprocate the burdens left to them by previous generations.

In reaction to this norm, it is possible that decision makers could feel moral outrage, which would encourage them to break the negative pattern of intergenerational behavior. Moral outrage is an emotional response to a violation of what individuals expect to be appropriate behavior and includes a combination of anger and disgust at this violation. Although moral outrage is more likely experienced when decision makers feel personally affected by the negative actions of past generations, it can also be experienced when decision makers witness behavior that affects others with whom the former closely identifies. For example, if a decision maker closely identifies with the environment or a given community, he or she can experience moral outrage if the past generation has released toxic gases in that community, even if the decision maker has not personally experienced the damage caused by those gases. Similar to gratitude and moral elevation, moral outrage has a pro-social action tendency and is believed to represent individuals' commitment to observing

and maintaining societal rules. Researchers have shown that the experience of moral outrage is a strong predictor of whether individuals will commit to helping disadvantaged or powerless others, such as in the case of future generations. Moral outrage can thus, serve as an intervening mechanism to counter the negative intergenerational repercussions of having been left burdens by previous generations.

The role of moral disengagement

Alternatively in the fishery example, individuals could morally disengage (i.e., use rationalization mechanisms) to feel *justified* in the allocation of burdens and withholding of benefits from future generations while benefiting themselves in the present. Although Wade-Benzoni, Sondak, and Galinsky demonstrated that decision makers who contemplate allocating burdens to future generations normally experience negative moral emotions, such as guilt or shame, moral disengagement could reduce the emotional distress that would otherwise serve to prevent unethical behavior toward future others. In this way, decision makers could rationalize such negative actions by morally disengaging from their obligations to future generations and perpetuating a negative cycle of harmful intergenerational behavior.

To summarize, and as illustrated in Fig. 1, the experience of moral outrage is important for breaking patterns of negative intergenerational behavior by prompting individuals to behave in the way they would like to have been treated instead of the way they (or others) were actually treated. If individuals instead morally disengage, they justify negative intergenerational behavior. As the story of Ray Anderson also reflects, leadership can play an important role in creating and regulating moral emotions both in the case of allocation of burdens and allocation of benefits by past generations. In the following sections, we explore different intergenerational strategies leaders can implement to promote positive intergenerational systems.

INTERGENERATIONAL STRATEGIES FOR PROMOTING ORGANIZATIONAL SUSTAINABILITY

A key to understanding how positive intergenerational systems emerge is recognizing how employees see meaning in their contributions to the organization and its stakeholders. In particular, given the dynamic nature of leadership, researchers of intergenerational dynamics have pointed to the benefits of creating and strengthening interconnections across generations. Integrating our insights regarding the role of moral emotions in intergenerational processes and, more broadly, drawing from the literature on intergenerational decision making, we outline specific individual-, group-, and organizational-level strategies for how leaders can create intergenerational systems and thus promote organizational sustainability.

Individual-Level Strategies

Create positive emotional contagion

Because of their unique position of power, leaders are one of the main sources of emotional contagion in organizations.

Research has shown that employee interactions can quickly spread emotions across the organization. Individuals can both unconsciously transmit their emotions by expressing them through facial expressions and physiological manifestations and consciously communicate emotions through discussion and behavior. The more intense the emotion, the higher the likelihood that the emotion will be transmitted from one person to another. These mechanisms allow leaders and followers to influence each other's emotions. As such, it is important for leaders to take care when actively selecting the types of moral emotions they would like to transmit to others, given their potential to spread quickly beyond the dyadic interaction.

Additionally, leaders can shape the emotional tone of a group not only by displaying the appropriate emotions themselves, but also by adeptly addressing and helping regulate followers' emotions. Leaders play a vital role in interpreting and communicating the behavior of past generations in a manner that can encourage feelings of gratitude and moral elevation. For instance, leaders who show self-sacrifice for the benefit of future others can be a powerful source of moral elevation, which in turn can motivate employees to emulate that behavior.

At the same time, if past generations have left undue burdens to current generations, it might feel counterintuitive to highlight those past actions. If leaders ignore, minimize, or justify the harm caused by previous generations, however, they risk normalizing or legitimizing this past behavior. Thus, leaders who can help followers make sense of past negative behaviors and signal when moral outrage is appropriate can also help followers channel this moral outrage in a positive manner—that is, in a manner that reverts the negative pattern of intergenerational behavior to create a positive cycle of intergenerational reciprocity. Considering their central role in emotional contagion processes, leaders need to be mindful of the rationalizations they employ, as well as the moral emotions they encourage and how these emotions are channeled.

Strengthen the legacy motive

Leaders can be motivated and motivate others to sacrifice their self-interest for the benefit of future generations when they have a legacy motive (i.e., the desire to generate an impact that extends beyond their own lifespan) and if they see the organization as a means to create such a legacy. This legacy motive can be influenced not only by stable permanent personal characteristics of the leader, such as the importance that he or she attaches to the moral aspects of his or her identity, but also by temporal mental states, such as mortality salience. The latter reflects an awareness of death that generates a desire to be part of something larger and more eternal than the self. A leader who, due to either unusual life events or natural aging processes, becomes increasingly aware of his or her own mortality is likely to shift from a narrow career-focused or self-focused approach to a broader, value-based approach that seeks to benefit others.

Leaders are also in a unique position to instill a legacy motive in other organizational members, and to encourage them to perceive the organization as a means to achieve this goal. Specifically, leaders can promote intergenerational

beneficence by emphasizing the meaning that is attached to the organization and persists across generations. A leader can ensure that a legacy motive is not only expressed in his or her communication with other organizational members but also modeled through his or her actions by showing followers how such behavior can be successfully enacted.

Furthermore, the success of transmitting a legacy motive within the organization is also contingent on the followers. Followers who perceive the leader's motives as legitimate and believe that the actions and values promoted by the leader are desirable and appropriate will be more likely to feel inspired by the leader to leave a legacy. Such a perception is a socially constructed phenomenon based on the followers' preconceived notions and expectations of a leader. Followers who adopt a legacy motive can channel this motive toward activities outside the organization. If followers derive personal value or find meaning in their jobs (i.e., see their job as a calling and not as a mere means to an end), they will be more likely to enact a legacy motive in a manner that reflects the organization's core values. Followers can also model positive intergenerational behavior themselves by displaying positive actions that others in the organization may not have been exposed to before. Followers who exhibit behaviors in which they sacrifice their wellbeing for the benefit of future generations can be looked up to by their peers and even by the leaders in the organization. In turn, by showing their commitment to a legacy motive, followers can inspire others to take the same path.

Group-Level Strategies

Shape collective emotions

Intergroup emotion theorists have explained that when emotions converge across individuals in a group, emotion becomes a collective phenomenon and can serve to strengthen the group's bonds and identification. Collective emotions are more powerful than just the aggregation of individual emotional states, since they are continuously reactivated and sustained within the group. This process, in turn, increases the chances that emotions will play a fundamental role in intergenerational decision making; even if the group is not in charge of the final decision, collective emotions can influence top management's actions through a bottom-up process of emotional contagion (from the collective to top management).

When emotions emerge at a collective level, individuals need not to have personally experienced the cause of the emotion (e.g., the allocation of burdens or benefits by the past generation); through a process known as secondary or tertiary emotional sharing, they can adopt the emotions of other group members who were personally affected. Nevertheless, in the same manner that emotions are a dominant impetus for positive intergenerational behavior when shared collectively, rationalizations and moral disengagement are also potent if they become part of the group understanding of intergenerational behavior. Research has long shown that individual actors are more likely to make decisions that harm others when this decision is part of a collective process. Specifically, if the group shares the belief that selfishness with regard to future generations is justified, this behavior can be perpetuated across collectives in the organization.

This collective moral disengagement would devalue and diminish individuals' personal responsibility to behave in intergenerationally beneficent ways.

Foster identification with future generations

Individuals are often unaware that a particular action could have implications for future others partly because consequences that are temporally distant to the decision maker are difficult to recognize. Leaders can contribute to each other's sense-making of the situation by broadening their interpretation of the issue, considering the implications to future others, and exploring alternative courses of action that maximize the wellbeing of both present and future generations. Group norms, for example, can effectively promote intergenerational beneficence as long as the group shares a collective expectation of concern for future generations. Since individual actors generally strive to respond to the expectations conveyed by the group they belong to and attempt to avoid social sanctions from this group, it is unlikely they will deviate from an established group norm. The more individuals identify with the group, the more likely they will be to act according to the shared expectations and norms of the group.

The organizational culture can constitute a prominent source of group norms. For example, family businesses tend to emphasize the preservation of the legacy they wish to leave to future generations, and they therefore strive to make decisions of lasting value. Another source of group norms is conveyed by the communities individuals belong to and the importance individuals attach to those communities. Employees who identify strongly with communities that support environmental preservation, for instance, are likely to oppose construction of a factory that would undermine future generations' access to green space, even if such construction would bring economic benefit (e.g., jobs) to future generations. Conversely, employees who identify more strongly with, for example, the families that would benefit from the additional jobs (and less strongly with environmental preservation) are likely to reach the opposite conclusion.

Organizational-Level Strategies

Beware of muting moral emotions

The experience and expression of moral emotions within the organization will depend in part on the emotional norms of

that organization; that is, on the implicit or explicit rules that determine whether emotions are accepted as legitimate and appropriate within that context. For example, some organizations might fear that emotions are inappropriate and an illegitimate source of business decision making. This would be problematic because, as discussed earlier, moral emotions can play a vital role in creating positive intergenerational systems. A workplace that allows for the expression and experience of moral emotion could provide a more favorable context to create such a system. This type of context would encourage not only the experience of positive emotions related to allocation of benefits by past generations (so as to perpetuate such actions) but also the experience of negative emotions related to the allocation of burdens by past generations (so as to break this pattern). Organizations that impose rules on what can be said, such as not allowing the harmful behavior of past generations to be openly discussed, encourage individuals to either minimize or justify such negative behavior. The muting of moral emotions coupled with moral disengagement provides a context in which negative intergenerational behavior can become acceptable and legitimate. Within this sort of context, negative intergenerational behavior could become resistant to change and eventually institutionalized within the system.

Create ethical infrastructures

The context in which intergenerational decisions are taken, such as the ethical infrastructure of the organization, which is composed of both formal (e.g., surveillance systems, mission statements) and informal (e.g., ethical climates, unwritten rules) elements, can influence intergenerational systems. For example, organizations can have formal elements, such as codes of conduct, that emphasize how the impact to future generations should be considered in all decisions and actions taken by organizational members. Reward systems can be aligned with this objective so as to honor those decision makers who strive to advance cycles of positive intergenerational reciprocity and discipline those who instead burden future generations. With regard to the informal structure, a strong organizational identity can propel individuals to identify with both past and current organizational members; the higher the level of intergenerational identification, the more likely decision makers are to take the perspective of and act on behalf of the next generation (Table 1).

Table 1 Summary of Individual-, Group-, and Organizational-Level Strategies

Individual-Level Strategies	<p>Create positive emotional contagion: promote gratitude, moral elevation, and proper channeling of moral outrage.</p> <p>Strengthen the legacy motive: create a personal desire to generate a positive legacy within the organization.</p>
Group-Level Strategies	<p>Shape collective emotions: ensure the dissemination of moral emotions and avoid the transmission of moral disengagement in group processes.</p> <p>Foster identification with future generations: create group norms and cultures that emphasize the preservation of a positive legacy.</p>
Organizational-Level Strategies	<p>Beware of muting moral emotions: legitimize the expression and use of moral emotions in decision making; avoid minimization or justification of past negative behaviors.</p> <p>Create ethical infrastructures: ensure both formal and informal elements of the infrastructure promote intergenerational beneficence.</p>

LESSONS LEARNED

We conclude with three lessons that leaders can take away to foster organizational sustainability through intergenerational systems:

“Encourage the expression and use of moral emotions in intergenerational decision making to maintain a healthy intergenerational system.” Rationality is not enough to ensure positive intergenerational systems. Consider the power of moral emotions in fostering meaningfulness in work behavior and the motivation to positively act on behalf of future others. Highlight and explain the behavior of past generations so as to inspire moral elevation and gratitude (in the case of positive behavior) or moral outrage (in the case of negative behavior).

“Discourage moral disengagement because it can spread like a cancer throughout your organization.” Avoid messages that either ignore, minimize, or justify the harm

caused by previous generations or the potential harm to be caused to future generations; if moral disengagement is disseminated throughout the organization, behavior that harms future others becomes normalized, legitimized, and institutionalized within the system and is therefore likely to be perpetuated.

“Understand how sustainability is created through different leadership sources across your organization.” Leaders are not the sole locus of leadership. Power and influence emanate from a number of different interactions between leaders, followers, groups, and the context across individual-, group-, and organization-levels. What leaders can control are the intergenerational systems they develop that will outlast their tenure.



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