

THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

Departmental Research Seminar

Money on Mind: Performance Incentive, Attention to Money, Environmental Sustainability By

Dr Julia D. Hur
New York University



Date : 7 Mar 2024 (THU)
Time : 10:30 am – 12 noon
Venue : M802

Abstract

Environmental sustainability is one of the most pressing problems of our time, raising significant questions as to how to motivate organizational decision-makers to make substantive investments in environmental protection. The current work identifies performance incentives as a critical barrier that prevents organizational decision-makers from supporting sustainability initiatives. We also offer a novel psychological mechanism of how monetary incentives activate managers' attentional fixation on money, intensifies their zero-sum mindset, and ultimately undermines commitment to investing in sustainability. Across two laboratory experiments ($n = 702$) and one archival study with a combination of data on executive compensation, corporate annual reports, and environmental performance ($n = 14,126$), we show that decision-makers whose pay is more contingent on financial performances are more likely to develop attentional fixation on money and less likely to support sustainability initiatives of their organization. Together, our findings demonstrate a novel pathway of how one of the most prevalently used types of financial incentives inadvertently undermine progress toward one of the most urgent organizational changes.

Dr Julia D. Hur is a Global Network Assistant Professor of Management and Organizations at NYU, affiliated with the Stern School of Business. She holds a PhD in Management and Organizations from the Kellogg School of Management at Northwestern University. Dr Hur has taught courses on leadership, negotiation, and organizational behavior at the Kellogg School of Management and the Stern School of Business. She has taught courses for the Executive MBA, MBA, and undergraduate programs, and has provided consulting to leaders and professionals across various government agencies and industries.

Dr Hur's research interests include motivation, incentives, and organizational decision-making. She examines how individuals' motivation and cognition are shaped by their organizational environment, which includes factors such as rewards, relationships, and social comparison. Utilizing a multi-method approach, she employs field studies, laboratory experiments, and archival data. Her work has been published in leading academic journals across the fields of Management, Marketing, and Psychology. These include the *Journal of Personality and Social Psychology*, *Journal of Applied Psychology*, *Organizational Behavior and Human Decision Processes*, *Journal of Experimental Psychology: General*, *Journal of Consumer Research*, and *Personality and Social Psychology Bulletin*. Her research has been featured in *The New York Times*, *The Wall Street Journal*, *Forbes*, *The Harvard Business Review*, and other prominent media outlets.

All interested are welcome.



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