The Messenger Bias: A relational model of knowledge valuation

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Abstract

How do managers value the knowledge they encounter in organizations? A rational perspective assumes that managers carefully and accurately cull the best knowledge from their environments, while a random model situates managers in an organization that resembles a garbage can, filled with preferences and solutions that are temporally matched. This paper develops a third view, a relational perspective, which describes how social relationships between knowledge messengers and knowledge receivers affect the way that managers evaluate new knowledge. We begin with the premise that individuals possess multiple roles at work and that each of these roles involves the actor in a variety of relationships. We then identify and describe six common relationship types that can be perceived between knowledge messengers and receivers at work: colleagues, deviants, rivals, advisors, intruders, and enemies. We examine how each of these relationship types evokes a corresponding relational schema which colors how new knowledge is evaluated. Our goal is to reveal how, holding knowledge content constant, managers’ evaluations of new knowledge are often biased by their relational perceptions of the messengers who convey that knowledge. While network research demonstrates that relationships affect whether managers are exposed to new knowledge or not, our work demonstrates that the nature of managers’ different relationships can moderate how they evaluate the knowledge that they see.
Emerson once said that “if a man writes a better book, preaches a better sermon, or makes a better mousetrap than his neighbor, though he builds his house in the woods, the world will make a beaten path to his door (cited in Yule & Keane, 1889).” Despite Emerson’s optimism about the inherent value of a good idea, people in modern work organizations often come to discover truth in the reverse: frequently it is the good ideas—rather than the paths towards them—that get beaten down. Subordinates complain that rather than valuing their good ideas, their managers instead ignore them, actively resist them, or sink them in the mire of organizational politics (Smith & Alexander, 1988; Morrison, 1966). Similarly, outside consultants observe that even though clients initially prize their ideas, they often don’t implement them (Maister, Green, & Galford, 2000; O’Shea & Madigan, 1997).

In addition to failing to leverage good ideas, sometimes managers embrace bad ideas. Consider, only recently, how corporate managers over-invested in dot.com ventures (Czernich & Heath, 2002), and how top-tier stock analysts admired and applauded Enron’s financial practices. In each of these situations, organizational actors faced with ideas of uncertain value made investment decisions based on their evaluation of these ideas, and their organizations suffered tremendous losses as a result.

These images of decision makers confusing good knowledge with bad and bad knowledge with good call into question rational models of knowledge transfer, in which managers carefully evaluate each piece of new knowledge that they encounter. Yet, the garbage can model (Cohen, March & Olsen, 1972) veers to the other extreme. This model eliminates the notion of managers as rational decision makers and replaces it with a time-dependent matching process, in which actors, problems, and solutions happen to converge in time and space. We posit that while knowledge evaluation is not rational, neither is it random. Instead, it is a complex process, where well-recognized, social psychological forces converge to determine the fate of new ideas. Specifically, we propose a “relational model of knowledge valuation,” whereby the relationships between actors communicating knowledge and actors receiving those communications produce social psychological forces that moderate how a new piece of knowledge is evaluated.

We start from the premise that organizational actors possess multiple roles at work and that each of these roles involves the actor in a variety of relationships with other actors (Kahn,
We then model how the nature of a person’s different relationships affects how new knowledge that is conveyed is evaluated (Snyder & Stukas, 1999). Our objective is to use social psychological research to demonstrate that predictable differences in knowledge valuation often occur in organizations independent of the actual content of the knowledge that is conveyed.

A Workplace Example

To motivate our approach, we offer the following example drawn from our own workplaces: evaluating the knowledge that we receive about newly minted Ph.D. students on the academic job market. When evaluating job candidates, the knowledge that we receive is abundant, confusing, and ambiguous. While, as professors, we care deeply about the content domain (the candidate could be our future colleague, after all!), our time and energy resources are scarce – given the many and conflicting demands on them. In evaluating each candidate, we cannot claim that the process is perfectly rational, but neither is it random. Instead, it is heavily influenced by the nature of the relationships that surround us.

For example, if we receive a positive letter from a chaired professor at a well-regarded department, we weight that piece of knowledge quite heavily in our decision making, perhaps more heavily than a positive letter from an assistant professor at a less-respected department – even though we may know the assistant professor better than the chaired professor. Further, if a rival within our field whom we don’t trust writes a positive letter for his student, we confess that we are prone to heuristically dismiss that rival’s knowledge. Additionally, if we hear from a well-regarded professor at a competitor school that her group is interested in a particular candidate, we are prone to automatically assume that that our competitor’s knowledge is of high quality. We then may use it to push that candidate onto our “short list,” even if we have not taken the time to carefully read the file.

As this example illustrates, when we receive knowledge about a job candidate, we associate it with the messenger who conveys it, and that relational context affects how the knowledge is evaluated. It is in this manner that relationships influence knowledge valuation. Perceptions of relational similarity, esteem, rivalry and reputation affect how managers evaluate what other people tell them. Our goal in writing this paper is to elaborate these processes – to examine the mechanisms by which perceptions of relationships systematically bias knowledge valuation.
Our Approach

We begin by defining our core construct, knowledge, which can be distinguished from data (discrete, objective facts about events) and information (data which informs, shapes, and makes a difference to the recipient). Knowledge is “framed experience, values, contextual information, and expert insight that provides a framework for evaluation and incorporation of new experience and information (Davenport & Prusak, 1998: p. 5).” As this definition implies, knowledge is subjective and complex (Brown & Druid, 2000; Argote & Ingram, 2000). It is framed by the values and context that surrounds its creators and its evaluators (Polyani, 1958).

Because knowledge is subjective and complex, the process of evaluating knowledge is nuanced. In organizational settings, it is important to point out that managers evaluate knowledge not only for its content quality (i.e., whether the knowledge is perceived to be creative, insightful, logical, relevant, and accurate). They must also often take into account the feasibility of the knowledge (i.e., the degree to which it is timely, appropriate, viable, and politically practical; e.g., Zmud, 1978; Borgatti & Cross, 2002). While managers will value knowledge most highly if they judge both its content quality and feasibility positively, those judgments do not always coincide. Sometimes, managers might value the quality of a piece of knowledge but consider it infeasible, or appreciate the feasibility of a piece of knowledge but not its content.

Further, whether evaluating content quality or feasibility, psychological research finds that people are not consistent in how they process knowledge. Specifically, research in social cognition finds that people can process knowledge in two very different ways: systematic and heuristic (see Chaiken & Trope, 1999, for a review). Systematic processing most closely approximates the rational model. It engages the cognitive capacities and capabilities of the receiver. It entails a “relatively analytic and comprehensive treatment” of knowledge, which is responsive to the actual content of the knowledge (Chen & Chaiken, 1999, p. 74). In contrast, heuristic processing makes minimal cognitive demands on a person. It entails the activation and application of judgmental shortcuts and “heuristics” that are triggered by cues associated with the knowledge (such as the way that the messenger presents the knowledge), rather than the actual content of the knowledge. Under heuristic processing, people process knowledge using a “peripheral route” where they react to the positive or negative cues that they automatically associate with the knowledge (Petty & Cacioppo, 1986; Petty, Goldman, Cacioppo, 1981). Under systematic processing, people process knowledge on the “central route,” by exerting more
mental effort to carefully and diligently assess the attributes of the knowledge (Petty, Goldman, Cacioppo, 1981).

Our task in this paper, therefore, is to examine the complex and contextually nuanced ways in which people assess both the content quality and feasibility of new knowledge in organizational settings. We do this by considering how different relational contexts trigger heuristic versus systematic processing, and in turn, how these processing tendencies influence evaluation. In doing this, we control for motivational differences. That is, we assume that the actors being exposed to new knowledge have the capacity to absorb it (Cohen & Levinthal, 1990), and are motivated to acquire it (Zahra & George, 2002).

Tying this point to our example, our goal is to show why it is that if the same recommendation letter were written by two different professors, the two letters could be evaluated quite differently. To do this, we first develop a model of how relationships influence the processing of new knowledge. Then, we apply this model to explaining how relationships affect knowledge valuation in organizations.

RELATIONAL MODEL OF EVALUATION

We begin with the relationships that exist between actors communicating knowledge (“knowledge messengers”) and actors receiving those communications (“knowledge receivers”) – focusing on the nature of each relationship as perceived by the knowledge receiver (Krone, Jablin, & Putnam, 1987; Davenport & Prusak, 1998). We adopt the term “relational schemas” from Baldwin (1992) to represent the receiver’s perception and construal of his or her relationships with different knowledge messengers. As Baldwin notes, “people develop working models of their relationships that function as cognitive maps to help them navigate their social world (p. 462).” These schemas have motivational, cognitive, affective, and behavioral implications for how a person, in this case a knowledge receiver, processes and responds to information conveyed within each relational context (Baldwin, 1992; Berscheid, 1994; A. Fiske, 1991; Snyder & Stukas, 1999; Berk & Andersen, 2000).

Further, we take a categorical approach to characterizing the receiver’s different relationships with knowledge messengers. We use the work of Fiske and Haslam to provide the foundation for this approach (for a review, see A. Fiske & Haslam, 1996; also A. Fiske, 1991; Haslam, 1994). Specifically, Fiske and Haslam find that people naturally perceive their relationships with others in terms of a small number of categories, as compared to a more
The complex multi-dimensional approach in which they view their relationships along a number of intersecting continuums (e.g., Kiesler, 1983). Thus, their work suggests that people often categorize their relationships into types, rather than carefully individuating each one.

To date, Fiske and Haslam have identified four broad categories of social relationships (e.g. communal and market-price based). However, to say something meaningful about differences in evaluation within organizational settings, a more fine-grained set of categories is needed. To create such a taxonomy, we draw from recent psychological findings on social and relational identities (see Andersen & S. Chen, in press, for a review) to isolate three aspects of social perception that are particularly relevant to how knowledge is evaluated: group-identification, personal appraisal and status. We begin by briefly reviewing each element.

Building off these elements of social perception, we then identify six general types of relationships that we posit often exist between knowledge messengers and receivers in work organizations. We label these colleagues, deviants, rivals, enemies, intruders and advisors (see Figure 1 for a summary). We suggest that each relationship type triggers a corresponding relational schema, which affects how knowledge is evaluated in that relational context.

Social Perception

**Group identification** Group identification reflects a perception of social similarity between the self and another person – that is, a perception of oneness or belongingness with a common human aggregate (Tajfel & Turner, 1979; Brewer & Kramer, 1985; Ashforth & Mael, 1989). Research has long found that people perceive other people based on social categories (Allport, 1954; S. Fiske & Neuberg, 1990; Macrae & Bodenhausen, 2000), and evaluate them based on their categorical similarity or dissimilarity with the self (e.g., Brewer, 1991; Brewer & Gardner, 1996). People make categorical distinctions at work based on many dimensions, such as demographic similarity (e.g., we’re all women), shared functional expertise (e.g., we’re both in finance), shared product line or organizational affiliations (e.g., we both work for the Saturn division), or shared educational background (e.g., we both have MBAs from Harvard) (Kramer, 1991; Baron & Pfeffer, 1994).

Across different settings, perceptions of a person’s social identity may shift as different aspects of social identity become salient. For example, in a meeting about maternity policy, a woman may feel most closely identified with the other women in the room. In another meeting about how to allocate capital expenditures across functional departments within her company,
she may feel most closely identified with the other marketing executives in the room who are both male and female. Thus, as an actor’s perception of his or her social identity shifts across situations, the perception of whether another actor is an in- or out-group member may also change (Brewer & Kramer, 1985; Brewer, 1991; Brewer & Gardner, 1996).

The perception of group identification is integral to our taxonomy of relational schema, because psychologists have consistently found that people tend to evaluate knowledge differently when it is conveyed by in- versus out-group members. Specifically, laboratory research finds that knowledge communicated by in-group members tends to be evaluated more positively (e.g., Festinger, 1954; Merton, 1957; Siegel & Siegel, 1957; Goethals & Nelson, 1973, Insko, Smith, Alicke, Wade, & Taylor, 1985; Mackie, 1987). This line of research demonstrates that “in-group favoritism” often occurs unconsciously and heuristically – thus, people automatically favor in-group knowledge, without analyzing it deeply (Asch, 1951; Moscovici, 1980; for review see Hewstone, Rubin & Willis, 2002). Further, laboratory research has found that to the extent that people do engage in the systematic processing of information, they are more likely to do it when an in-group, rather than out-group, member communicates the knowledge (e.g., Mackie, Worth & Asuncion, 1990; for reviews see Eagly & Chaiken, 1993; Mackie & Smith, 1998).

**Personal appraisal.** The second aspect of social perception that we draw from in building our taxonomy involves personal appraisal. In addition to perceiving the degree to which another actor is similar or different from themselves based on group membership, people also assign trait characteristics to others (Kunda & Thagard, 1996). In the process, they make cognitive and affective judgments regarding the differences that they perceive between themselves and others (S. Fiske, 1982; Srull & Wyer, 1989; Wyer & Carlston, 1994; Andersen, Glassman & Gold, 1998; Andersen & S. Chen, in press). People do this to resolve the uncertainty they feel about the motives, intentions, and behaviors of other people (Kramer, 1999).

We use the term personal appraisal to capture this judgment. Is the other evaluated positively or negatively; is he to be trusted or not; is she perceived as a friend or foe? We can interpret this appraisal to incorporate whether a knowledge receiver perceives a knowledge messenger within a promotion (approach) or prevention (avoid) regulatory focus (see Higgins, 1997 for a review). Alternatively, within a social utility approach, this evaluation reflects whether one’s own outcomes are experienced negatively (competitor), neutrally, or positively
(trusted friend) relative to the other actor’s (Messick & Sentis, 1985; Loewenstein, Thompson & Bazerman, 1989).

Existing research suggests that people base personal appraisals on a variety of factors including their stereotypes associated with group membership differences, personal trait differences they infer (Pavelchak, 1989; Smith & Zarate, 1992), or even transference; that is, if a messenger reminds the receiver of a family member or someone that they used to know (Andersen & Baum, 1994; Berk & Andersen, 2000). Focusing on work contexts, if a person views an actor as a competitor for scarce resources (Kelley & Thibaut, 1978) or a threat to personal welfare (Lazarus & Folkman, 1984), that assessment can also trigger a negative appraisal. The key point is that in forming a judgment about another actor, a person typically generates an overall judgment regarding the meaning of that actor to self based on complex motivational, cognitive, and affective judgments (Kramer, 1999).

Personal appraisals are important to our taxonomy of relational schemas, because existing research predicts that both heuristic and systematic processing of knowledge valuation will be colored by how the knowledge receiver appraises the messenger who communicated it. If a receiver likes a messenger, or considers her trustworthy or attractive, research on source effects predicts that the receiver will tend to automatically evaluate that messenger’s arguments more favorably (for reviews, see Chaiken, 1987; McGuire, 1985). Even when a receiver seeks to carefully and objectively consider the new knowledge of a liked colleague, existing psychological research suggests that a positivity bias will persist (Kunda, 1990; Chaiken & Maheswaran, 1994).

Status perceptions. The third element of social perception that we draw from in developing a relational model of knowledge valuation is that of status. Status is central to how people perceive social relationships (see for example, Jones & Pittman, 1982; Kiesler, 1983; Keltner, Gruenfeld & Anderson, 2002), particularly in organizational settings where the hierarchical structures and merit-based cultures naturally elicit perceptions of differential standing among people (Lee & Tiedens, 2001).

Status can be defined as the degree of social esteem that is accorded to one actor by another actor (S. Fiske, 1993; Ridgeway, 1997; Keltner, Gruenfeld & Anderson, 2002). An actor has high status if others judge him or her to be comparatively superior to others in some important domain. The domains that typically determine status include, first, an actor’s position
in a formal or informal hierarchy, such as an executive vice president or the administrative person in charge allocating scarce resources, such as office space; or alternatively, an actor’s relationships with other actors who hold formal or informal power, such as the wife of the CEO. Second, status can be gained due to an actor’s unique expertise, or demonstrated competence in a situationally-relevant task domain; such as recognized IT, finance, or administrative capabilities. Third, status is sometimes based on an actor’s ranking on social dominance measures, such as age, wealth, education, or physical attractiveness (see for a review, Y. Chen, Blount, & Sanchez-Burks, in press). When considering the role of status in relational perception, it is important to note that status perceptions can a) be both absolute and comparative (relative to the self) and b) function at both the interpersonal level and the inter-group level (see Keltner et al., 2002; Bettencourt, Dorr, Charlton & Hume, 2001 for reviews).

Here, we use the term status, therefore, as a general construct to represent an actor’s or a group’s augmented social standing, which can result from a variety of social processes, including power, respect and authority, among others. We use the labels of high (and low) status to refer to the enhanced (or diminished) social standing that some people or groups have based on: their performance-based competencies (or perceived performance weaknesses), their high (or low) positions in the formal or informal organizational structures, and their social attributes which may engender submission (or dominance) from others.

Status, as we define it, is important to consider in examining how relationships affect knowledge transfer, because psychological research consistently finds that status perceptions moderate how people evaluate other people’s ideas and knowledge. Across all relational types, psychological research on source effects predicts that receivers will positively evaluate knowledge communicated by high status messengers and messengers from high status in-groups (see Eagly & Chaiken, 1993, for a review). Further, if knowledge receivers are themselves members of high status in-groups, they will tend to value their own group members’ knowledge quite highly. In contrast, if they are members of low-status in-groups, they may derogate the knowledge of their own group members (Jost & Banaji, 1994; Jost & Burgess, 2000) and be biased against internally generated knowledge (Boldry & Kashy, 1999).

**Taxonomy of Relationship Types at Work**

We now turn to our taxonomy of relationship types at work (see Table 1), which builds off the social perception research that we have just reviewed. As Table 1 shows, our types are
most easily conveyed by conceptually crossing perceptions of group identification (rows) and personal appraisal (columns) to create six categories. We label these colleague, rival, deviant, enemy, intruder and advisor. We incorporate our third conceptual element, status perceptions, by considering its effects within each of the six categories. As Table 1 shows, the label “colleague” applies to knowledge messengers whom the receiver perceives as in-group members and friends. They are positively appraised. The label “rival” applies to messengers whom the receiver perceives as in-group members, but who threaten personal outcomes. They are competitors for resources (structurally equivalent actors, e.g., Burt, 1992) or perhaps threats to personal safety (someone who has been known to sabotage the self). “Deviants” are similar to rivals because they are in-group members whom a receiver perceives as threatening to the self. However, the threat of deviants comes through their meaning to the group. Deviants are “black sheep,” unusual in-group members who threaten the group’s solidarity and hence, threaten the messenger’s welfare as a member of that group. Both deviants and rivals are negatively appraised in-group members.

The label “enemy” applies to messengers whom the receiver perceives to be a member of another group, and whose existence threatens the welfare of the in-group. This category is typified by members of a competitor firm, for example, that is considered predatory in its practices; or another organizational group vying with the in-group for scarce organizational resources. The label “intruder” is similar, but applies to members of out-groups who are evaluated neutrally relative to the in-group, but whom the receiver finds personally threatening. This category is exemplified by an outside management consultant who gives advice that could threaten the receiver’s welfare (e.g., the employee fears being downsized based on the consultant’s report!). Finally, the label “advisor” refers to out-group members who have positive relationships with the receiver. Thus, the receiver perceives the advisor’s group as neutral or allied with the receiver’s in-group, and regards the advisor positively at a personal level. An example here is a trusted counselor (Maister, Green & Galford, 2000), such as an executive coach or legal counsel. Alternatively, this category would include well-respected executives in other companies who are known for their expertise; e.g., Jack Welch in the 1990’s.

In the next two sections, we draw from psychological research to examine these six relationship types, and the corresponding relational schema that each evokes, in detail. We begin by examining the interactive effects of group identification and personal appraisal that typify
each relational type, and then consider the motivational and cognitive effects of status perceptions. Our goal is to develop a relational perspective on how knowledge travels through organizations. To do this, we focus on how the nature of the relationship between a knowledge messenger and a knowledge receiver moderates how knowledge that is communicated is evaluated.

Table 1 here

RELATIONAL SCHEMAS: INSIDERS

With this theoretical framework in-hand, we now examine how the relational schemas associated with the different relationship types differentially shape knowledge valuation in work organizations. In doing so, we consider the interactive effects that group identification, personal appraisal and status perceptions have on knowledge valuation. We posit that each relational schema evokes an array of motivational and cognitive consequences that affect how knowledge receivers evaluate the new knowledge that they encounter. These consequences tend to enhance knowledge valuation for some of the relational schemas (e.g. colleagues, enemies, and advisors) and inhibit knowledge valuation for others (e.g. deviants, rivals, and intruders). However, each relational schema also contains more nuanced dynamics that attenuate these general predispositions. We begin with in-group schemas: colleagues, rivals, and deviants.

Colleagues

Colleagues share strong in-group identification, and evoke little or no personal threat. As positively regarded acquaintances, close friends, and trusted co-workers, colleagues collaborate together on shared goals. In the process, strong affiliations form, and well-documented group-based motivations to protect and preserve the group’s identity emerge. These motivations make knowledge from colleagues appear more attractive, as we have already discussed. However, when we examine collegial relationships outside of the laboratory in field settings, we also find more subtle dynamics that undermine knowledge valuation. The physical proximity of colleagues and the taken-for-granted nature of their knowledge can reduce the degree to which
receivers value it. Below, we examine how these contradictory forces affect the way in which receivers evaluate the knowledge that their colleagues convey.

Factors enhancing valuation of the quality of a colleague’s knowledge. Colleagues often come to see each other’s knowledge as superior to that possessed by outsiders. This is particularly likely to be the case when colleagues are part of a highly cohesive in-group (see Hewstone et al., 2002). Cohesion develops when groups are long-standing (Katz & Allen, 1982) and physically remote from the rest of the organization or from groups performing similar tasks. When a highly cohesive, committed team works in isolation, an “us against the world mentality” often emerges (Levy, 2001). Such closely-knit groups are prone to groupthink (Janis, 1972), whereby group members fail to scrutinize each other’s opinions, and instead confirm them heuristically, in the interests of getting along and keeping group interactions fluid (S. Chen, Shechter, & Chaiken, 1996). Relatedly, they suffer from the “not-invented-here” (NIH) syndrome, where group members systematically see the knowledge that comes from insiders as superior to knowledge that comes from outsiders (Katz & Allen, 1982). Such beliefs about the value of an in-group member’s knowledge serve to create positive group distinctiveness, affirm in-group membership, and denigrate the out-group by placing it at a social distance (Bourhis, Turner, & Gagnon, 1987).

The preference toward insider knowledge becomes even more acute if, in addition to group cohesion, members of the in-group regard their group as particularly high status or distinctive due to their members’ unique skills or competence (Petty, Cacioppo, & Goldman, 1981; Chaiken, 1987; Boldry & Kashy, 1999; Bettencourt et al. 2001). This often happens among members of elite consulting and accounting firms or within well-regarded practice groups in a specific industry. At American Express, for example, there is a long-held cultural belief that American Express is better than any of its competitors at marketing. Employees report a strong preference toward insider perspectives on marketing, such that it is extremely difficult for a senior outside marketing hire to gain credibility within the organization (personal communication, September 2002). Kahn (1998) reports a similar situation at a consulting firm, where partners gave greater weight to the perspectives of insider consultants who were relatively junior, but trained at the firm, than they did to more experienced consultants hired from the outside. Thus, being perceived as a “true insider” is a source of personal status within many groups that augments the perceived value of colleagues’ knowledge.
This is not true in low-status groups, where members often derogate insider knowledge (Jost & Burgess, 2000; Boldry & Kashy, 1999). However, even within low-status in-groups, receivers will value knowledge from a colleague with high personal status (perhaps based on external reputation) (Mills & Harvey, 1972). In fact, the benefits of high personal status are augmented in groups with low status. Consider the example of winning a Nobel prize in economics. Winning the prize as a faculty member at the University of Chicago, where there are already five professors who hold this honor, will not gain a person as much within-group esteem as it might if one were a faculty member at a less prestigious school, where there are no prior award winners on faculty. Low-status groups are particularly likely to revere and bask in the reflected glory of their high status members who have been externally validated (Blau, 1986).

Factors enhancing valuation of the feasibility of a colleague’s knowledge. Even if managers don’t hold implicit or explicit beliefs regarding the superior content quality of their colleagues’ knowledge, they often value it for its feasibility. This may be true within both high- and low-status groups. Knowledge from colleagues is local and hence easily available (Cyert & March, 1963; O’Reilly, 1982). Thus, managers might not think that it is the best knowledge based on its content, but it is good enough, and they value its feasibility (March & Simon, 1958). The logic of satisficing—which favors local, readily accessible knowledge—is particularly likely to operate when a knowledge receiver is under high levels of time pressure, given that time pressure induces a drive toward closure (de Dreu, Koole & Oldersma, 1999; Kruglanski & Webster, 1996) and more heuristic processing (see Svenson & Maule, 1993; for a review).

Second, a colleague’s knowledge may appear more relevant, appropriate, and hence more feasible, because the colleague shares a common background and similar taken-for-granted cultural assumptions. Knowledge receivers expect that colleagues are more aware of surrounding operational, cultural and political contexts; including, for example, standard operating procedures, power dynamics, and cultural values. Thus, a receiver may assume that a colleague’s knowledge is particularly relevant, because it incorporates an understanding of context.

Third, a colleague’s knowledge might also be judged as more feasible when the in-group develops procedures that enable it to efficiently share knowledge with each other. People in groups often develop transactive memory systems whereby members supplement their individual memories (which are often unreliable and subject to natural limits) with other group members as
external aids (Wegner, 1987). Because individual group members share implicit knowledge about who knows what in the group, they do not attempt to become experts in all content areas. As a result of their mutual dependence, members in such groups are more willing to defer to others for knowledge, and might be prone to heuristically enhance their valuations of colleagues’ knowledge.

As a final point, a receiver’s perceptions of the feasibility of a colleagues’ knowledge will be positively correlated with the messenger’s power- or authority-based status – in both an absolute and comparative sense (that is, the messenger’s status compared to the receiver’s). Whenever actors have high absolute status, others value their ideas (see Eagly & Chaiken, 1993, for a review). Further, as a messenger’s comparative power- or authority-based status in the organization increases, receivers defer to their knowledge (Lee & Tiedens, 2001), and assume that their peers will too. Thus, social conformity pressures elevate the perceived feasibility of high-status actors’ knowledge. For these reasons, receivers might publicly affirm the knowledge of a high-status messenger because they recognize its feasibility, while privately devaluing its content quality.

Factors reducing valuation. Despite the robust psychological finding that receivers consistently overvalue knowledge from colleagues, organizational evidence shows that internal knowledge is not always highly valued, and that managers often struggle to transfer it (Szulanski, 1996; Von Hippel, 1994). In order to explain these findings, we question the assumption that identification breeds respect, and describe some reasons why people in organizations do not necessarily value knowledge that comes from those with whom they identify.

First of all, although proximity and close contact allow insiders to develop strong identifications with one another (Festinger, Schachter, & Back, 1950) and make internal knowledge readily accessible (March & Simon, 1958; O’Reilly, 1982), the same factors also enable receivers to more readily see the errors and imperfections of colleagues’ ideas (Menon & Pfeffer, 2001; Strickland, 1958). As Strickland notes, the subordinate in close proximity to a boss receives a lower performance evaluation than a subordinate who is more physically removed. Further, whereas managers see both the colleagues’ successes and failures, as with most negative pieces of information (Pratto & John, 1991), failures are likely to be more salient. Managers are also likely to attribute these failures to their colleagues’ competence, rather than to a variety of external causal factors (such as bad luck, lack of resources, etc.; e.g., Ross, 1977;
Mitchell & Wood, 1980). Finally, managers experience spillover, a tendency to extend unrelated negative information about colleagues across domains (deficiencies in interpersonal skills or personal disorganization, for example). Such close-up scrutiny, and the attributional and recall biases that follow from it, are particularly problematic when evaluating colleagues’ new ideas, which naturally contain flaws.

A quote from an FBI agent in the months following the World Trade Center attacks illustrates how such attributional biases make it easy to dismiss a colleague, when people knew him at a personal level, with all his quirks and flaws. “If a confidential memorandum comes from a guy out in say, Phoenix, the first things that goes up the line, is ‘That’s Harry again. He’s like a broken clock twice a day,’ . . . (Hirsh & Isikoff, 2002: 30).” The result is that colleagues are subject to an ambivalent reaction (Glick & S. Fiske, 1996): while people regard them as well-liked friends and acquaintances, they do not necessarily see them as sources of valuable, new knowledge.

Salience is another barrier that inhibits receivers from valuing the knowledge that colleagues communicate. When internal knowledge is abundant, managers can become distracted, and fail to identify useful and relevant kernels of knowledge. This problem is widespread in legal and management consulting firms where dispersed teams of professionals generate large amounts of knowledge on an on-going basis. The key constraints in such an environment do not lie in generating the knowledge, but in retaining and tracking it for others to use (Hansen & Haas, 2001; Ocasio, 1997). Note that this salience problem does not reflect the negative valuation of colleagues’ knowledge, but the tendency to de facto devalue it by losing track of it.

To illustrate this point, again we consider intelligence gathering operations in the U.S. government prior to the 9/11/01 attacks. FBI and CIA agents all over the country had noticed alarming hints about the impending attacks and had independently issued a variety of warnings and reports. However, many of these reports were dismissed as “chatter,” and none of this knowledge was combined and connected (Hirsh & Isikoff, 2002; Bazerman, 2002).

Integration. Receivers are particularly likely to value knowledge from their colleagues for many well-documented psychological reasons. The strong identification that develops between colleagues increases perceptions of the quality of their knowledge, and the accessibility of their knowledge promotes perceptions of its feasibility. However, more subtle dynamics
arising from the accessibility of collegial knowledge can also undermine its valuation. Accessible knowledge is often so abundant that it lacks salience, and its flaws are readily scrutinized as well. The strength of the motivation to perceive insiders favorably determines which dynamic prevails. Members of well-regarded, cohesive groups come to identify with their colleagues and over-value their knowledge (Katz & Allen, 1982), while less cohesive or prestigious groups often derogate their own knowledge by subjecting it to excessive scrutiny or failing to attend to it (Jost & Banaji, 1994; Menon & Pfeffer, 2002). Within both high- and low-status groups, the personal status of a collegial messenger (whether it derives from expertise, power, or authority) often strengthens the motivation to evaluate that messenger’s knowledge favorably.

Table 2 here

Deviants

We now consider deviants, those in-group members who other group members perceive as threats to the group’s identity. They might threaten the status of a group because they are poor performers, and hence poor exemplars of the group; or they might destabilize the group by questioning or ignoring group norms. They stimulate group conflict by holding unusual positions that do not correspond to the taken-for-granted assumptions of the group, or they foster ill-will by alienating group members with their non-normative behaviors in group meetings. Whether conscious of their actions or not, deviants disrupt group balance and evoke strong negative reactions from other group members (Phillips, 2000; Heider, 1946).

Consider the example of a whistle-blower at TAP drugs, a pharmaceutical company which eventually paid a $875 million fine for conspiring with doctors to cheat the government. When the whistle-blower sought to reform the company’s unfair practices he found that, “Most of what I did there was resisted, undermined (Haddad & Barrett, 2002: 128).” Co-workers at the company countered the threat he posed to their group identity by rejecting his ideas, telling him he didn’t understand the company culture, excluding him from top marketing and sales meetings,
and even hinting that he could become a convenient scapegoat for the company if they were caught.

As this example suggests, the robustness of the in-group favoritism effect depends on the characteristics of the in-group member in question. Cohesive groups allow relatively little deviance from group norms among their members, and shun insiders who deviate. In-group members dislike black sheep, insiders who they perceive as deviant, more than they dislike out-group members (Marques, Paez, & Abrams, 1998). People also display horizontal hostility, evaluating in-group members who are closer to the mainstream more negatively than more distant outsiders (White & Langer, 1999). Finally, itinerants, those who leave their in-groups and then return to them, find that their boundary spanning behaviors blur their identities as in-group members and increase the degree to which other group members treat them like black sheep. Although itinerants produce more unique ideas, their in-groups see them as more argumentative and are less likely to value and use their ideas (Gruenfeld, Martorana, & Fan, 2000). The net result is strong affective, negative reactions against deviants, which lead people to heuristically devalue the knowledge they communicate.

As with colleagues, receivers are well aware of the deviant’s flaws because of their close proximity. However, receivers possess the additional motivation to find the deviant’s flaws in order to preserve group identity, a motivation that is intensified in cohesive groups. Thus, while receivers try to maintain an “illusion of objectivity,” they are particularly motivated to arrive at a negative evaluation of the deviant’s knowledge. Even if receivers systematically process it, they often scrutinize the knowledge more carefully as they search for evidence to support their desired conclusions (Kunda, 1990).

One factor that can moderate the bias against the deviant’s knowledge is the degree to which in-group members respect the deviant’s unique content expertise – our exemplar being the deviant genius. Here, group members tolerate deviance because the black sheep compensates for it through some extraordinary contribution to the group within a specific task domain. Corporate lore is full of stories of rogue programmers and deal makers, whose brilliance made their eccentricities tolerable. We posit that group members more positively evaluate knowledge communicated by these “genius” deviants, but only if it lies within the deviant’s recognized domain of expertise.
Thus, despite the deviant’s potential role as an internal innovator and stimulus for change (Sutton, 2001), we predict that even when deviants convey potentially valuable knowledge, others scrutinize it more carefully than when a well-respected colleague conveys the same knowledge. Before accepting a deviant’s knowledge, receivers carefully look for flaws, since they anticipate that their colleagues will do the same.

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**Table 3 here**

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**Rivals**

Rivals are in-group members who, like deviants, are negatively evaluated by receivers. They may be competitors for resources (such as customers or promotions) or perhaps threats to personal safety (someone who has been known to sabotage the receiver). In either case, in contrast to deviants, they threaten the receiver, although other in-group members may regard them as colleagues or friends. Thus, while the receiver’s colleagues may be inclined to favor the rival messenger’s knowledge, because they are motivated to bolster their group’s identity, the receiver’s reaction is more ambivalent.

**Factors reducing valuation.** Although receivers are motivated to monitor the knowledge of their rivals as a tool for managing the uncertainties implicit in competition (Pfeffer & Salancik, 1978; Ruscher & S. Fiske, 1990), they are less motivated to actually value and use that knowledge because of the potential threat that it poses to their own status. When a receiver values the knowledge of a rival, they face a painful upward social comparison, which increases their sense of inferiority and insecurity, and constitutes a “loss of uniqueness (Brickman & Bulman, 1977: p.179).” These pangs of jealousy are particularly intense when the target is an in-group member rather than a less directly threatening out-group member (Tesser, Millar, & Moore, 1988).

The threats of social comparison do not only occur in privacy, they also occur on the public stage of the organization. As a result, the pains of social comparison do not simply involve private insecurities and emotional heartache—one’s reputation, social standing within the group, and even more tangible financial rewards and promotions are also at stake. Because
status accrues to those who can cope with the critical problems of the organization (Salancik & Pfeffer, 1982), if a receiver evaluates a rival’s knowledge positively, they essentially legitimate a direct competitor for rewards and status in the group, and undermine their own position. The threats that a rival evokes are exacerbated when the surrounding organizational culture fosters internal contests for status and reward (Menon & Pfeffer, 2002).

In order to devalue the knowledge of their rivals, receivers often invoke the façade of objective evaluation and rationality. Their peers lack the motivation to devalue their rivals’ knowledge, so receivers must justify their objections carefully. Furthermore, receivers have a wealth of evidence from which to scrutinize and criticize their rivals, given that they are often privy to a similar close-up view of their rivals that ingroup members enjoy. Thus, even if receivers intend to be even-handed and methodical evaluating their rivals, the negative conclusions that they hope to reach will often color evaluation (Kunda, 1990).

**Factors enhancing valuation.** Whereas an equal status rival is seen as an intensely threatening direct competitor and a lower-status rival does not inspire vigilance (Fiske, 1993), receivers both notice high power rivals’ knowledge and evaluate it positively. The high power rival’s knowledge is salient, because the receiver with lower standing is hyper-vigilant, and carefully monitors communications from them (S. Fiske, 1993; Kramer, 1998). Further, the receiver pragmatically embraces the high status rival’s knowledge, because if they do not, they experience evaluation apprehension or a fear of displaying disrespect to someone with organizational power (Blau, 1955; Lee, 1997). Further, if receivers expect the high-status rival to construe help-seeking as flattery (Jones & Pittman, 1982), they publicly extol the knowledge, whether they value its content or not, to further ingratiate themselves and diffuse any competitive threat.

Second, receivers are likely to elevate their valuation of a rival’s knowledge if the rival’s status derives from content expertise in a domain that is not relevant to the receiver’s self-concept (Tesser, Millar, & Moore, 1988). As an example, a rival’s unique accounting knowledge does not threaten a receiver who sees herself as a marketing expert. Further, if the rival succeeds in a domain that the receiver does not perceive as threatening, the receiver can even recategorize the rival as a colleague, and bask in the reflected glory.

Finally, the opportunity to appropriate credit for a rival’s idea also enhances a receiver’s valuation of it. While managers like getting credit for good ideas, they like it even more when,
by appropriating credit for an idea, they block a rival from gaining status and appropriate the status for themselves. Thus, if a rival is well-known throughout the organization as the champion of a particular idea, receivers are less likely to value and use that idea than if they could fluidly appropriate the credit for having created it (Prusak & Cohen, 1996). This is most likely to happen with respect to low-status rivals, where the receiver has comparatively more power and thus more opportunity to get away with appropriation. These dynamics famously occurred between Maurice Wilkins and Rosalind Franklin, two rival scientists at King’s College in England who were attempting to uncover the structure of DNA. Franklin, the lone female scientist in the group, was the first person to produce photographs that depicted the double helix structure of DNA. Without Franklin’s permission, Wilkins illicitly appropriated and shared that knowledge with two other scientists at Cambridge University, James Watson and Francis Crick, providing them with the critical piece of knowledge necessary for their path-breaking discoveries. Franklin died four years before the other three shared the Nobel Prize for medicine, and never received the credit she deserved for her contribution (Watson, 1980).

Integration. In sum, receivers are prone to devalue knowledge communicated by rival messengers because of their self-serving motivations. In the process, the knowledge of rival messengers tends to be heuristically dismissed, or over-scrutinized to expose its flaws. The primary factor that moderates this negative valuation is if the messenger has high power- or expertise-based status. In managing the status threats implicit in the act of valuing a rival’s knowledge, receivers are concerned both with how that act reflects upon their own competence and how others in the organization make attributions about it. They ask themselves, does this display my incompetence? Does it confirm the superiority of my direct competitor? Is my superior complimented when I use their knowledge or insulted? And what will the ever-present audience of my peers around me think? The answers to these questions determine how receivers privately assess rivals’ knowledge, and how they publicly respond to it as well.

Table 4 here
RELATIONAL SCHEMAS: OUTSIDERS

We now move to the relational schemas associated with out-group members, and examine the affective, motivational and cognitive factors that affect receivers’ valuations of their knowledge. While the finding of in-group favoritism is one of social psychology’s most robust (see Hewstone et. al. 2002 and Mackie & Smith, 1998 for reviews on intergroup bias), the interesting observation from organizational settings is that managers often value external knowledge, sometimes to the point of over-valuation (consider the popularity of management gurus). Yet, at other times, as psychological theory would predict, managers shun the intrusion of outsiders into their affairs.

To make sense of these counterintuitive and seemingly contradictory observations, we begin our analysis with enemies and intruders, who like rivals and deviants are negatively evaluated. Enemies threaten the receiver’s in-group by competing with it for customers in the external marketplace or for scarce resources within the intra-organizational marketplace. In contrast, intruders pose a self-threat to the receiver. Receivers do not evaluate them negatively to preserve their group’s identity: they perceive the intruder’s group as neutral or allied with their own in-group. However, they perceive intruders as personally threatening (e.g., a consultant in conflict with internal managers in an organization).

We argue that competition between outsiders motivates learning if those outsiders pose group- rather than self-threats. Competitors learn from each other, because learning enables them to anticipate competitive uncertainties, and they can do so without the social comparison processes and status threats that discourage learning from rivals. In contrast, because intruders enter a receiver’s personal domain and threaten personal interests, managers respond to intruders as they respond to rivals: in their efforts to defeat them, they avoid affirming the knowledge that they carry.

Enemies

Enemies are members of groups that threaten the receiver’s in-group. They may compete for customers in the external marketplace or for scarce resources within the intra-organizational marketplace. In either form, they introduce an interesting nuance for the knowledge receiver. Rather than derogating an enemy’s knowledge, because the enemy is the member of an out-group, people in organizations often heuristically embrace it. Consider the meticulous care with which corporations have been found pursue enemy knowledge -- using wiretaps, bribery, and
computer hacking to illegally obtain it. Oracle even recently admitted that its detectives had hired janitors to go through Microsoft’s trash (Lavelle, 2001).

**Factors enhancing valuation.** Why do receivers so readily value enemy knowledge as compared to knowledge from deviants, rivals, or even colleagues? Enemy relationships are a threat, and as popular wisdom notes, a good scare is often worth more than good advice. Managers sometimes seek to manage that threat by monitoring, learning, and acquiring knowledge about the enemy’s strategies (Williamson, 1975). Rather than stereotyping enemies (Sherif, 1966), people often pay a great deal of attention to them and form individuated, highly elaborated impressions of them (Ruscher & S. Fiske, 1990). In the process, group members carefully scan their environments to locate enemy knowledge, which makes enemy knowledge highly salient.

On the other hand, while the fear of falling behind a competitor sometimes mobilizes action, it also elicits threat rigidity (Staw, Sandelands, & Dutton, 1981). Even though threat rigidity increases the degree to which managers perceive competitors heuristically, they still pay attention to them and often simplify their perceptions of their enemies by exaggerating their competence and automatically valuing, or even overvaluing, their knowledge. A recent analysis of the threat that China’s high-tech sector posed for the Silicon Valley illustrates how people respond to a threatening enemy by emphasizing their competence and heightening the fear they evoke. An American venture capitalist predicted that China would become “a ferociously formidable competitor for companies that run the entire length of the technology food chain.” A Chinese executive describes Fudan University as the next Stanford or Berkley, and another threateningly states, “We are not as sophisticated as Lucent, Ericsson, or Cisco, but the gap has shrunk a lot. We will have the ability to exceed them in 3-5 years (Einhorn, 2002: 84).” This dramatic characterization of an apparently invincible new enemy remarkably parallels descriptions of the Japanese as an economic powerhouse in the late 1980s (Thurow, 1993). As a result of their positive assessments of Japanese corporations, managers blindly pursued Japanese management practices in the late 1980s as they sought to match that enemy’s achievements—even when idea appropriation involved large costs (Thurow, 1987). In hindsight, Japan was viewed through a simplified lens—albeit one that exaggerated rather than derogated its knowledge. Thus, although managers often carefully scan the environment to find enemy
knowledge (Ruscher and S. Fiske, 1990), they also experience rigidity that makes them simplify their competitive landscape by accepting too willingly the enemy knowledge that they find.

An important question is why receivers meet an enemy’s threat with knowledge valuation while confronting a rival’s threat by valuing that knowledge less (Menon, Thompson, and Choi, 2002). There are several dimensions along which the threats from organizational and market competitors differ. First of all, although enemies induce vigilance on the group level just as rivals induce vigilance on the individual-level, when managers perceive an external threat, they do not have the luxury of ignoring or pondering it (Cyert & March, 1963). Threats from enemies seem urgent—more urgent than the potential opportunities that internal knowledge represents. Managers often feel time pressure to respond in kind, which induces more heuristic processing and mindless imitation (DiMaggio & Powell, 1983; Haveman, 1993).

Second, receivers are more likely to approach enemy knowledge with a promotion focus, rather than the prevention focus associated with the knowledge of rivals (Higgins, Rholes, & Jones, 1977; Higgins, Roney, Crowe & Hymes, 1994) because enemies pose a threat to the receiver’s group rather than the self, and their knowledge has few negative implications for a receiver’s status. Indeed, when receivers locate important enemy knowledge, they even accrue status within their in-groups. By providing scarce knowledge about how to cope with threats to the in-group, they can help the group to neutralize some of their competitor’s fire (Tushman, 1977; Nelson & Winter, 1982). Thus, receivers have self-serving motivations to see the enemy knowledge that they encounter as valuable.

Finally, in contrast to rival’s knowledge which is readily available within the organization, the scarcity of enemy knowledge, which is closely guarded behind the enemy’s walls, also heuristically increases its perceived value (Cialdini, 2001). Enemy messengers often don’t want to part with their knowledge while colleagues or rivals readily share and sometimes even market their knowledge. Further, when managers expend considerable effort and financial resources to obtain enemy knowledge, they escalate their psychological commitment to perceiving it as valuable (Staw, 1981).

Factors reducing valuation When a receiver’s group has higher status than an enemy’s group, the receiver may engage in out-group derogation, and heuristically dismiss enemy knowledge. This will be particularly true if the enemy messenger’s personal status is also low. (As we have discussed earlier, low personal status is associated with the heuristic devaluation of
Dominant firms have the luxury of such inertia. Rather than reacting to or learning from their less powerful competitors, they can control them by locking them into exchange relations on their own terms (Burt 1992). It is the firms with less power, status, size, and profitability that must vigilantly respond to their larger, higher status competitors (Haveman, 1993).

However, if receivers attend more to enemy knowledge communicated by messengers from groups of equal or higher status, they can be blindsided when a small stealth competitor emerges into their competitive landscape. Thus, receivers sometimes pay attention to the knowledge of their low-status enemy groups, particularly when they are perceived to have expertise in a domain of competitive interest (such as new product technology or operational practices). The television, for example, was originally invented by an eccentric independent inventor named Philo Farnsworth, based on work he did as a fourteen year-old. Several years later, David Sarnoff, vice president of the Radio Corporation of America (RCA), managed to appropriate most of the technology, credit, and profits from the idea (Schwartz, 2002). More recently, Microsoft has reportedly used its status and financial might to respond aggressively to the competitive challenges of lower status firms – either by surreptitiously appropriating their knowledge or directly acquiring them.

Finally, even when the enemy is a respected, higher status competitor, they still often perceive the enemy ambivalently (Glick & Fiske, 1996). The receiver might highly value the enemy’s knowledge and even copy and appropriate it, but might derogate the enemy on a different dimension. For example, although managers considered the Japanese to be formidable competitors with useful production knowledge, they often disparaged the Japanese for their creativity. This ambivalence enables the receiver to simultaneously gain the benefits of learning from the enemy, while also gaining the psychological benefits of derogating a potential threat.

Integration. In sum, receivers are prone to automatically over-value the knowledge that enemies communicate due to competitive uncertainties, its status-enhancing cachet within the receiver’s in-group, and its perceived scarcity. Even when receivers deeply process enemy knowledge, their competitive motivations to “keep up with the enemy” implicitly elevates the value of the knowledge. This tendency is mitigated if the enemy is a lower status actor within a competitor group or the enemy messenger represents a lower status group. In these cases, the
automatic tendencies toward devaluing lower-status actors and out-groups will lead to out-group derogation and the heuristic devaluation of knowledge.

Table 5 here

Intruders

We move now to intruders, who on the surface appear to be important sources of new knowledge for the organization. These are consultants (either internal or external), accountants, legal counsel, executive coaches and trainers, and other outsiders who potentially offer new ideas to the organization. Actors in these roles do not threaten the receiver at a group level—instead, they are often brought in to collaborate with the in-group to improve performance. However, in contrast to enemies, they intrude into the group boundary, and in the process, threaten the receiver’s turf (e.g., power, access to resources, or their sense of autonomy at work). When an out-group member generates a personal threat, they invoke many of the dynamics that are present in relationships between rivals. However, because they are outsiders whose relationships are not governed by group norms, the negative consequences for knowledge valuation are more devastating than between rivals.

Factors reducing valuation. When intruders offer knowledge to ingroup members, they find that receivers often respond with the vigor of a parent whose child has been criticized by a stranger. Even if that stranger has valuable insights and intends to be helpful, a parent is unlikely to appreciate an intrusion into their own sphere of jurisdiction. Similarly, managers question the right of intruders to comment on their own areas of expertise. As a result, even when the intruder has expertise-based status, which typically heightens the perceived quality and credibility of knowledge in the other relational schemas (Lee & Tiedens, 2001), that expertise personally threatens the receiver’s sense of autonomy and competence.

Receivers often denigrate the intruders’ expertise and the intruder’s out-group in order to justify denigrating their knowledge (Mackie, Devos & Smith, 2000). For example, they charge consultants with “repackaging what we already knew,” being out of touch with the “realities of running a business,” and being paid “yes-men” (O’Shea & Madigan, 1997) -- sentiments that so
many Dilbert cartoons rely upon in order to ridicule consultants. Further, receivers question the feasibility and relevance of the knowledge that intruders carry, since they lack the in-depth insider view of the organization and its circumstances. And while intruders wear the taint of being an outsider, they actually have the disadvantages of being an insider as well. Because intruders have entered the organizational boundary, receivers have the opportunity to scrutinize them at close range, and thereby strip their knowledge of its scarcity and uniqueness. Thus, unlike relations between enemies where group threat inspires knowledge valuation, when intruders provoke personal threats, receivers respond by devaluing their groups and their knowledge.

**Factors enhancing valuation.** Receivers are more likely to value the knowledge of intruders when they individuate them, and perceive them as only loosely associated with their out-groups, rather than as an exemplar of the group (Depret & S. Fiske, 1993). This process lessens the tendency toward automatic out-group derogation associated with a threat response, and explains the conventional wisdom that personal relationships are key to the effectiveness of professional service providers (Block, 1999). By building personal relationships with their clients, clients can come to see intruders as individuals, who can be trusted, rather than as members of a feared and consequently maligned out-group (Hamilton & Sherman, 1996).

Such relationships can even enable consultants to reduce the threats that they might have otherwise posed, and ultimately shed their intruder status. Andersen’s accountants, for example, reduced their threatening status as an intruder at Enron by establishing a cozy relationship with insiders. McKinsey consultants, too, turned a blind eye to problems at Enron in order to preserve a lucrative relationship. In one consultant’s words, “When you have a mega-client, ‘This is what the client should hear,’ is twisted into, ‘This is what is going to let us stay at the boardroom level’ (Byrne, 2002: 71).”

In addition to building a direct personal relationship with the receiver, the intruder’s network of relationships with other actors who surround the receiver can mitigate the receiver’s tendency to devalue the intruder’s knowledge (Krackhardt, 1992). For example, if the intruder is known to have a close relationship with a high stakes organizational member, such as the CEO or the receiver’s direct supervisor, the intruder’s knowledge will be more systematically processed. With that relationship, the intruder may implicitly be accorded the standing of a high-
status insider (by association), which can lead the intruder’s knowledge to be more positively evaluated, particularly regarding feasibility.

Alternatively, if the intruder is known to be working closely with the members of an internal or external competitor group, the intruder’s knowledge may be seen as a form competitive intelligence, and be heuristically viewed as more valuable. The same would be true if the intruder were perceived to be working closely with a rival. In each case, the receiver may modify the relational schema that is applied to a well-connected intruder, because the intruder’s allies trigger other group- or self-protective motivations. These motivations, in turn, become associated with the intruder and his or her knowledge. In each case, the receiver is more vigilant in scanning for knowledge and less prone to automatically devalue the intruder’s knowledge. In general, the presence of outside alliances can lead a receiver to process an intruder’s knowledge in a manner that more closely resembles the careful monitoring and evaluation of a rival’s or enemy’s knowledge.

Integration. In sum, because intruders evoke a sense of personal threat, receivers are motivated to derogate them, their groups and their knowledge. Receivers lack the status-enhancement motive that they have with enemies’ to embrace their knowledge (Burt, 1992; Tushman, 1977). Instead, receivers respond as they do to rivals: they avoid affirming the knowledge that they carry. The intruder’s network of relationships is the main factor that can moderate this tendency. If the intruder is allied with powerful others within the group, or with members of competitor groups or rivals, the receiver will attend to the intruder’s knowledge more carefully, and be less prone to heuristically devalue it.

Table 6 here

Advisors

Finally, we turn to the category of advisors. They are members of out-groups that the receiver perceives as neutral or allied with their in-group. This category includes professional service providers such as consultants, accountants, legal counsel, executive coaches, and trainers.
Actors in these roles do not threaten the receiver either at the group- or individual-level—instead, they are trusted for their wisdom, insight, discussion, support, and advice.

As a result, advisors’ knowledge is often prized – sometimes to a point which seems absurd. Consider research on management fads which portrays managers as actively seeking out and embracing ideas of dubious quality from guru advisors (Abrahamson, 1996, Meyer, 1996; Staw & Epstein, 2000; Zbaracki, 1998) or looking to charismatic outsiders as corporate saviors (Khurana, 2002). Similarly, as business school professors, we are all familiar with the experience of inviting an outside business speaker into the classroom whose knowledge the students enthusiastically receive as novel and insightful. Yet, the students were somewhat less excited when they heard the same ideas from their professor a week before – and the professor is a person with whom they have a closer relationship and more frequent communication.

**Factors enhancing valuation.** Why do people sometimes so readily embrace the ideas of outsiders – independent of the ideas’ uniqueness and content? The most obvious answer is the high expertise-based status that people naturally accord to advisors, and the automatic way in which they consequently overvalue such knowledge (Cialdini, 2001; Hewstone et al. 2002; Mackie & Smith, 1998). Given that the legitimacy of consulting companies derives from their expertise, it is unsurprising that they hire only the brightest stars from the most selective business schools to their ranks and preach a “talent mindset” to their clients (Gladwell, 2002).

A second answer involves the complicated ways in which power and status are obtained in organizations. Although, as outsiders, advisors lack the inducements of positive in-group identification or out-group competition that promotes the positive valuation of knowledge, advisors’ knowledge is often valued precisely because of their lack of relationship to the firm. As a result of their independence, advisors evade the thorny entanglements of identification and rivalry -- remaining seemingly objective, impartial, and detached when advocating controversial views. In contrast, people often assume that insiders who advocate controversial views are politically motivated. As a result, Ralph Larsen, former CEO of Johnson & Johnson notes, “McKinsey is expensive. But what they provide is a fresh look at our thinking and a certain detachment (Byrne, 2002:76).” In cognitive terms, this means that the advisor’s out-group status can become a positive attribute associated with their knowledge, which in turn enhances its evaluation.
A third reason why managers positively value the knowledge of advisors links back to the problem of salience which, as we noted before, makes knowledge from colleagues particularly difficult to value. Organizations and their environments overflow with a vast array of problems and ideas (Cohen, March, & Olsen, 1972). In fact, there is so much congestion (Gergen, 1991) that the manager has difficulty discerning the good ideas from the bad. A trusted advisor performs a sorting function for the manager – highlighting what they believe to be the good ideas and justifying those choices based on content expertise. Here, managers embrace the advisor’s knowledge as a satisficing strategy (March & Simon, 1958). The receiver, who lacks the time or ability to attend to all the ideas in the environment, assumes that the advisor is a thorough information processor, uses them as a decision making aid, and accepts their knowledge heuristically rather than systematically (see Svenson & Maule, 1993; Chaiken & Trope, 1999 for reviews).

A fourth reason why receivers value an advisor’s knowledge relates back to business competition, social comparison, and the monitoring of one’s enemies. Managers fall prey to embracing faddish and ill-conceived ideas that circulate in the marketplace (Abrahamson, 1996; O’Shea & Madigan, 1997) in a “mindless” effort to defend against competitive threats (Staw, Sandelands, & Dutton, 1981). If managers believe that their competitors are evaluating the most recent fad favorably, they heuristically embrace that knowledge in an effort to stay abreast of their competitors. They do not value this knowledge because they have carefully evaluated it. Thus, a manager may seek to reduce the uncertainty of their competitive environment by seeking fashionable ideas that serve symbolic and emotional functions, rather than rational functions (Abrahamson 1996; Heath, Bell, & Sternberg, 2001).

A fifth motivation for receivers to embrace an advisor’s knowledge stems from the status contests within the firm. Managers can enhance their status by becoming knowledge collectors (Brown & Duguid, 2000), who pursue knowledge from multiple sources in order to display their intelligence and social connections (Feldman & March, 1981). Citing a well-respected advisor’s knowledge can legitimate one’s decisions to others (Sabatier, 1978). For example, “You heard BCG tell us that this is the best course of action.” Further, in contrast to cheap and plentiful knowledge from colleagues, managers often pay large sums of money for the assistance of the advisor, which escalates their commitment (Cialdini, 2001; Staw, 1981). These practices provide little technical benefit to the organization, but have personal benefits for the members of
management teams that implement them by increasing their reputation and compensation (Staw & Epstein, 2000).

**Factors reducing valuation.** If managers respect advisors based on the presumed expertise and objectivity of their knowledge, they doubt its feasibility for those same reasons. While consultants are often effective brokers of new knowledge, carrying ideas across companies and industries (Hargadon & Sutton, 1997), they can also be seen as out-of-touch editors who disregard the political context, and the financial and cultural feasibility of their advice (Sahlin-Andersson, 1996). Any exposure which calls into question the advisor’s true expertise in this manner, threatens the advisor’s status – moving the advisor from admired, high-status sage to disregarded, low-status charlatan.

Another issue is the kind of knowledge that people seek from advisors. According to research in social psychology (e.g., Goethals & Nelson, 1972), similar others are more influential with respect to values, and dissimilar others are more influential regarding beliefs. People prefer to compare the appropriateness of their feelings, values, and attitudes to those who are similar (Festinger, 1954; Darley & Aronson, 1966), but, according to attribution theory, find the consensus of dissimilar others more convincing when they evaluate the truth of beliefs or judgments (Kelley, 1973). As a result, receivers may find a consultant’s consensus on the latest trends in the marketplace (a belief) more convincing than an insider’s opinion, but look to their colleagues for norms on the most appropriate ways to prioritize work and family commitments (a value).

Finally, advisors often walk a tightrope between encouraging change that feels safe versus change that feels threatening. Once perceived as threatening, the receiver’s perception of the advisor can shift from a promotion to a prevention focus (Higgins, 1997). They may recategorize the advisor as an intruder, thus activating the predictable patterns of out-group and personal derogation.

**Integration.** In sum, advisors are often seen as content experts, who thoughtfully filter through the multitude of knowledge flows that pervade the external environment and produce creative insights from their unique vantage points. They can inject “objective” perspectives into politically-charged work settings and protect a group against competitive threats. Thus, advisors’ knowledge tends to be highly prized by the managers who employ them – just as long as they don’t espouse a position or behave in a manner that evokes a personal threat.
GENERAL DISCUSSION

We began this paper with the premise that organizational actors possess multiple roles at work and that each of these roles involves the actor in a variety of relationships with other actors (Kahn, 1998). We then identified six relationship types, which we argued are common to work settings: colleagues, deviants, rivals, enemies, intruders, and advisors. We examined how each evokes a relational schema, which can differentially affect how a knowledge receiver evaluates new knowledge. These schemas elucidate the nuanced, interactive ways that group identification, personal appraisals and status perceptions affect knowledge valuation. Tables 2-7 summarize our observations.

In general, a manager’s identification with colleagues increases the degree to which their knowledge is valued; however, the close contact and availability that fosters identification can decrease salience and the visibility of flaws. In contrast, managers seek to monitor deviants, rivals, and intruders because of the competitive threats they pose. These messengers present threats to group and personal identities, and receivers resist valuing their knowledge as a result. However, when enemies such as competitor firms pose threats to group identity, people monitor and value their scarce knowledge. Their in-groups often reward them for doing so. Finally, if managers attribute low-status to advisors, they are likely to deem them irrelevant and ignore them. However, if they see advisors as high-status experts who are capable of objective detachment, they value their knowledge. These social psychological dynamics demonstrate that the tendency to confuse good knowledge with bad and bad knowledge with good in organizations is not simply the result of randomness. Instead, there are discernable relational patterns present in knowledge valuation.

In applying our framework, it is important to note that an actor’s location within a specific category is not static. Relational perceptions are dynamic. In- and out-group perceptions change from situation to situation, as do personal appraisals of threat versus safety. The same actor can occupy different categories over the course of time. A consultant originally seen as an intruder can become a trusted advisor; a rival can become a colleague; a colleague can become a
deviant or even an enemy. These categories portray general patterns of evaluation that research suggests are common to knowledge receivers depending upon how they categorize a particular messenger at a particular point in time.

**Role of Relational Schemas in Knowledge Valuation**

In examining the six relational schemas, several patterns emerge that illuminate the mechanisms by which perceptions of relationships moderate knowledge valuation. You may recall that we began with the premise that people tend to perceive their relationships categorically. We then suggested that each relationship category triggers an associated relational schema, which provides motivations, goals, and incentives to evaluate knowledge in particular ways. Through this process, we posit that relationships serve four psychological functions in knowledge valuation: as motivators, cues for processing, knowledge attributes, and frequency regulators. Below we elaborate each of these four functions.

**Relationships as motivators.** Relationships color how we view ourselves (Andersen & S. Chen, in press). In that process, they influence a receiver’s motivations, goals, and incentives regarding the knowledge that they encounter. For example, the needs to preserve a positive group identity, to prevent threats to the self, and to preserve one’s status are examples of motives that differ across the six relational schema. Self-enhancing motives make the positive valuation of a rival’s knowledge appear costly, in contrast to the group-enhancing motives that make the positive valuation of a colleague’s knowledge almost automatic. Thus, as relational contexts vary, so do the goals of the receiver in evaluating new knowledge. In contrast to a rational actor model, which assumes that all that matters to evaluation is the content of the knowledge, our work illuminates the situated nature of social cognition (Lant, 1999), and specifically, how knowledge valuation is intimately tied to social context (Katz & Allen, 1982; Phillips, 2000).

**Relationships as cues for processing.** Relationships also direct the cognitive processes that managers use to evaluate knowledge. By shifting goals and incentives, relationships lead managers to apply different kinds of cognitive procedures, rules, and standards in the process of evaluating knowledge. The nature of the relationship between two actors determines whether receivers heuristically or deeply evaluate the knowledge that messengers convey (Chaiken & Trope, 1999). It also determines whether the knowledge receiver brings a positive or negative bias when initiating a more systematic evaluation. A manager’s desired conclusions guide them
to positively assess knowledge from colleagues and sharply critique knowledge from rivals –
even if they try to be objective (Kunda, 1990).

Relationships as knowledge attributes. Relationships can become implicit characteristics
associated with the knowledge that messengers carry. When the quality of knowledge is
ambiguous, receivers rely on their more elaborated knowledge of their relationships with
messengers to appraise the quality of knowledge. The relationship becomes an attribute
associated with the knowledge. As a result, managers see knowledge as more valuable if it
carries an association with a valued colleague, or the objectivity implicit in a trusted advisor’s
perspective (Katz and Allen, 1982, Janis, 1972). In this sense, feelings about relationships can
often substitute for information about the quality of knowledge.

Relationships as frequency regulators. Relationships are the channels through which
knowledge is encountered and which determine how readily or scarcely knowledge flows. Much
research has suggested that the strength of network ties affects how knowledge is transferred and
used. For example, rich channels of communication enable messengers to transfer and use tacit
knowledge (Daft & Lengel, 1986; Hansen, 1999). However, the richness and density of the
channel between a knowledge messenger and receiver also shapes the subjective valuation of the
knowledge. When weak ties exist between actors such as enemies, they allow limited quantities
of knowledge to travel between messengers and receivers, so that receivers prize the scarce
kernels of knowledge that they gain. On the other hand, strong ties among colleagues enable
receivers to see abundant quantities of knowledge, and hence, given its abundance, receivers
value it less. Thus, relationships determine the frequency of contact between messengers and
receivers, and hence the quantity and quality of our “knowledge about knowledge.”

Integration. In sum, relationships matter to knowledge valuation because they trigger
relational schemas. These schemas have motivational, cognitive, and affective implications for
how a knowledge receiver evaluates knowledge within a specific relationship. Relational
schemas provide motivations and incentives, which affect whether new knowledge is
heuristically or systematically processed. They also trigger cognitive heuristics, including the
assignment of relationship-based cues which color how the knowledge that a messenger carries
is evaluated. As the conduits of knowledge, relationships regulate the flow of knowledge, the
scarcity or abundance of which also affects how a piece of knowledge is valued.
Rationality, Randomness and Relationships

At the start of this paper, we argued that while knowledge evaluation is not rational, neither is it random. Instead, it is a complex process, where well-recognized, social psychological forces converge to determine the fate of new ideas. Above, we articulated four mechanisms through which relationships predictably moderate knowledge valuation. Here, we move up one level of analysis to enrich that perspective by suggesting that rational, random, and relational processes can be most usefully viewed as three distinct forms of managerial decision making that exist in organizations. Indeed, we suggest that the role of each in knowledge valuation depends upon the degree and type of uncertainty present within the specific knowledge evaluation context, as well as the manager’s own motivations and capabilities regarding the content domain of the knowledge.

We start with situations where knowledge quality is relatively unambiguous – that is, decision makers have extensive knowledge about a subject, clear criteria for choice, and adequate time with which to decide. The content domain of the knowledge also has motivational valence for the receiver – it captures the manager’s attention and engages cognitive resources. In these contexts, relationships exert little influence on valuation, and managers approximate rational methods of evaluation. Here, the manager knows how to read a customer report, evaluate a policy paper, or assess a candidate’s analytical capabilities. The manager knows how to identify the relevant decision criteria and weight them accordingly, and the knowledge content domain engages the manager and naturally motivates him to do so.

On the other end of the continuum, there are situations in which there is a high degree of ambiguity about both the quality of knowledge and the relational context in which it is embedded. These are contexts in which decision makers have little knowledge, confused criteria, and a desire to limit their search costs – plus they are not well-acquainted with the knowledge messengers. The manager does not know how to evaluate certain types of business risks, or has never worked with an ad agency before. Here, a more random model of evaluation is likely to apply, because even if the manager seeks to be rational, contextual constraints preclude it. The manager does not have expertise in the relevant content area, and does not have access to a social network that does either. Plus, due to either money, time or one’s own cognitive limitations, the manager does not possess a motivation to engage in more elaborated processing.
In middle of this continuum are situations in which knowledge quality is ambiguous, as are the manager’s motivations regarding engagement and effort. But in these settings, the relational context is clear. Amid the complexity and ambiguity of the work environment, the manager decides to trust her “intuitions” regarding the people surrounding her. As a result, attributes of the messenger and the characteristics of the relationship between the messenger and the receiver naturally influence valuation in the ways we have illustrated. Here, the manager uses the relational context to guide his evaluations.

Thus, our point is not to argue that rationality and randomness do not exist in organizations, but to suggest that a relational perspective provides a third, quite important, force driving the evaluative process within organizations. As many of our examples throughout this paper illustrate, it is not just the presence of relationships that matters to knowledge valuation, but also the nature and quality of those relationships. Perceptions of similarity, interpersonal trust, rivalry and reputation matter to how managers evaluate what other people say. In many instances, they can drive knowledge valuation -- depending upon the degree and type of uncertainty present within the specific knowledge evaluation context, as well as the manager’s own motivations and capabilities regarding the content domain of the knowledge.

**Implications for Organizational Learning**

It is important to understand how managers evaluate knowledge in organizations because knowledge valuation is often a primary mediator between knowledge exposure and use. According to Hansen (1999), network models have emphasized the ways in which relationships predict exposure and access to new knowledge (e.g., Burt, 1992; Granovetter, 1973). Knowledge use, on the other hand, concerns the actual dissemination, transfer, and implementation of knowledge (Argote, 1999; Bardach, 1977; Pfeffer & Sutton, 2000; Pressman & Wildavsky, 1984), and is related to concepts such as negotiation, coalition building (Pfeffer, 1992), and organizational change (Tushman & O’Reilly, 1997). It involves selling ideas and generating buy-in among key stakeholders.

In this paper, we have sought to elucidate the psychological processes that occur after knowledge exposure and prior to knowledge use (Argote & Ingram, 2000), with the understanding that when people value knowledge more highly, they are often more likely to use it. In the process, we have provided a framework for linking these complex and highly-nuanced, micro-level dynamics to organizational-level outcomes. Specifically, our relational perspective
incorporates an understanding of how social identification, personal appraisals, and status perceptions combine to affect organizational learning – through their effect on knowledge valuation. However, our research also hints at the complex nature of the relationship between knowledge valuation and organizational learning. Whereas people are often more likely to use knowledge when they value it more highly, at other times they value knowledge without using it (e.g. the knowledge of competitors or consultants that is scarce and therefore difficult to acquire and implement). Or, they might use knowledge even though they fail to value it (e.g. abundant knowledge from colleagues which is taken-for-granted or used simply because it is conveniently available). Our research suggests the specific ways in which knowledge valuation mediates knowledge use, as well as the prospect that valuation sometimes does not mediate use at all.

Conclusion

Theories of networks suggest that relationships affect what you see, because connections provide access and exposure to knowledge. Our work proposes that networks also color how you evaluate what you see. That is because evaluation often mediates the relationship between exposure and use, and relationships moderate how receivers evaluate knowledge.

Relational ties shape the perceptual experience of knowledge receivers through several mechanisms. Relationships shape the goals relevant to knowledge valuation, direct cognitive processing in evaluation, become attributes associated with knowledge, and provide the channels through which knowledge is either frequently or scantly conveyed. As such, they intimately affect the process of knowledge valuation and transfer in organizations.

Although we have emphasized the several prominent deviations from rationality that relationships produce (e.g. the isolating choices of the not-invented-here syndrome; the tendency to reject worthy ideas from deviants, rivals, and intruders; and the costly chase for scarce, externally sourced knowledge), relationships also enable managers to adapt to the complex and confusing task of making a decision. For example, although the managers who are subject to the NIH syndrome isolate themselves, their preferences are often adaptive, because they conserve time and money that might have otherwise been wasted on more costly knowledge that is more difficult to implement (Hansen, 1999). And while managers can become overly dependent on consultants (O’Shea & Madigan, 1997), they also gain the more varied, generalizable knowledge from an outside perspective (Ingram & Baum, 1997).
Thus, while organizations are sometimes rational, and at times random -- they are also driven by relationships, which both help and hinder the transfer of knowledge. An understanding of relationships, how they are perceived, and how those perceptions influence the evaluation of the knowledge can help us understand why bad ideas are sometimes heuristically assumed to be good, and why good ideas are sometimes dismissed as bad. In this paper we have taken an important first step toward amelioration by identifying and labeling discernable patterns in how the messengers who communicate knowledge bias the receivers who evaluate that knowledge.
Table 1: Typology of relationships

### Personal Appraisal

<table>
<thead>
<tr>
<th>Group Identification</th>
<th>Positive/neutral appraisal (no threat)</th>
<th>Negative appraisal (self-threat)</th>
<th>Negative appraisal (group-threat)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In-group</strong></td>
<td>Colleague: An insider who is liked or perceived neutrally by the knowledge receiver</td>
<td>Rival An insider who threatens the knowledge receiver’s pursuit of personal rewards or sense of safety at work</td>
<td>Deviant An insider who is viewed as diverse or unusual by group members and threatens the group’s identity</td>
</tr>
<tr>
<td></td>
<td>Example: A friend in another area of the organization or a fellow work group member</td>
<td>Example: A co-worker competing for a promotion or bonus with the knowledge receiver</td>
<td>Example: A “black sheep” or outcast within the group</td>
</tr>
<tr>
<td><strong>Out-group</strong></td>
<td>Advisor: An outsider with a collaborative relationship with the knowledge receiver</td>
<td>Intruder An outsider who threatens the knowledge receiver’s personal status or sense of safety at work</td>
<td>Enemy An outsider who is a member of a group that competes with the knowledge receiver’s group.</td>
</tr>
<tr>
<td></td>
<td>Example: A consultant, coach, investment banker or management guru</td>
<td>Example: A consultant or newly hired manager whose is believed to be hired to “downsize” the organization</td>
<td>Example: A member of a competitor firm in the marketplace or of a competing group within the organization</td>
</tr>
</tbody>
</table>

The Messenger Bias
Table 2: Summary of Factors Enhancing and Inhibiting the Valuation of Knowledge from Colleagues

<table>
<thead>
<tr>
<th>Enhancing Valuation</th>
<th>Inhibiting Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Identification with in-groups leads to in-group favoritism (NIH, groupthink, social identity)</td>
<td>• Information overload causes attentional difficulties, and good ideas lack salience</td>
</tr>
<tr>
<td>• Group cohesion increases identification and in-group bias</td>
<td>• Availability subjects knowledge to excessive scrutiny and makes people take internal knowledge for granted</td>
</tr>
<tr>
<td>• Isolation from other groups increases identification and in-group bias</td>
<td></td>
</tr>
<tr>
<td>• Tenure increases identification and in-group bias</td>
<td></td>
</tr>
<tr>
<td>• In-group status and distinctiveness, and the high status of the specific colleague who carries the knowledge increase valuation</td>
<td></td>
</tr>
<tr>
<td>• Availability raises valuations of feasibility</td>
<td></td>
</tr>
<tr>
<td>• Transactive memory systems develop between in-group members and facilitate their reliance on each other’s knowledge</td>
<td></td>
</tr>
<tr>
<td>• Power increases public affirmations of the value of knowledge</td>
<td></td>
</tr>
</tbody>
</table>
Table 3: Summary of Factors Enhancing and Inhibiting the Valuation of Knowledge from Deviants

<table>
<thead>
<tr>
<th>Enhancing Valuation</th>
<th>Inhibiting Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Deviant “genius” is tolerated as a content expert</td>
<td>• Deviants threaten group identity and are disliked</td>
</tr>
<tr>
<td></td>
<td>• Insiders seek balance from each other rather than change and new knowledge</td>
</tr>
<tr>
<td></td>
<td>• Deviants are insiders, so the receiver is privy to a close up view of their flaws.</td>
</tr>
<tr>
<td></td>
<td>• Motivated reasoning is used to justify objections to deviant’s knowledge</td>
</tr>
</tbody>
</table>
Table 4: Summary of Factors Enhancing and Inhibiting the Valuation of Knowledge from Rivals

<table>
<thead>
<tr>
<th>Enhancing Valuation</th>
<th>Inhibiting Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Receivers are hyper-vigilant about high status rivals</td>
<td>• Social comparison between rivals poses a painful psychological threat</td>
</tr>
<tr>
<td>• The fluidity of appropriating credit for the rival’s ideas makes learning less threatening</td>
<td>• Competition for organizational rewards threatens rivals with status loss if they learn from each other</td>
</tr>
<tr>
<td>• Rivals are insiders, so the receiver is privy to a close up view of their flaws</td>
<td>• Motivated reasoning is used to justify objections to rival’s knowledge</td>
</tr>
<tr>
<td>• If the messenger’s knowledge is in a domain that is relevant to the receiver’s self-concept, their knowledge is particularly threatening</td>
<td></td>
</tr>
</tbody>
</table>

The Messenger Bias
Table 5: Summary of Factors Enhancing and Inhibiting the Valuation of Knowledge from Enemies

<table>
<thead>
<tr>
<th>Enhancing Valuation</th>
<th>Inhibiting Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Competition increases motivations to monitor threats</td>
<td>• Lower status enemies are ignored, unless their knowledge can be easily appropriated</td>
</tr>
<tr>
<td>• Status can be gained by bringing outsider knowledge into the in-group</td>
<td>• Enemies are ambivalently perceived. Certain aspects of their knowledge may be valued but other aspects may be derogated</td>
</tr>
<tr>
<td>• Motivation to steal advantage from the competitor</td>
<td></td>
</tr>
<tr>
<td>• High status of the enemy increases their potential danger and the importance of their knowledge</td>
<td></td>
</tr>
<tr>
<td>• The scarcity of competitor knowledge makes it seem more novel and unique, and increases commitment to affirming its value</td>
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</tr>
</tbody>
</table>
Table 6: Summary of Factors Enhancing and Inhibiting the Valuation of Knowledge from Intruders

<table>
<thead>
<tr>
<th>Enhancing Valuation</th>
<th>Inhibiting Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The intruder’s network of relationships with insiders and competitors reduces tendencies to automatically reject their knowledge</td>
<td>• The intruder derives status from expertise, which threatens autonomy of insiders</td>
</tr>
<tr>
<td></td>
<td>• The intruder does not threaten the receiver’s group, which eliminates the status gains of using their knowledge</td>
</tr>
<tr>
<td></td>
<td>• The availability of the intruder’s knowledge increases the receiver’s ability to scrutinize it</td>
</tr>
<tr>
<td></td>
<td>• The receiver’s lack of identification with the intruder reduces their perceptions of the quality and feasibility of their knowledge</td>
</tr>
</tbody>
</table>
Table 7: Summary of Factors Enhancing and Inhibiting the Valuation of Knowledge from Advisors

<table>
<thead>
<tr>
<th>Enhancing Valuation</th>
<th>Inhibiting Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Advisors with status are valued for their expertise</td>
<td>• Independence makes knowledge appear less feasible and relevant</td>
</tr>
<tr>
<td>• By not threatening or identifying with receivers, the advisor gains an aura of</td>
<td>• Independence reduces valuation of knowledge that verifies values</td>
</tr>
<tr>
<td>political independence and impartiality</td>
<td></td>
</tr>
<tr>
<td>• Independence is important for triangulating beliefs</td>
<td></td>
</tr>
<tr>
<td>• Advisors perform a sorting function for managers seeking to identify good</td>
<td></td>
</tr>
<tr>
<td>knowledge in complex environments</td>
<td></td>
</tr>
<tr>
<td>• Advisors provide faddish knowledge that managers under competition</td>
<td></td>
</tr>
<tr>
<td>heuristically embrace</td>
<td></td>
</tr>
<tr>
<td>• Advisors legitimate managers and increase their status in the organization.</td>
<td></td>
</tr>
</tbody>
</table>
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