CLASS 11: INEQUALITY, ORGANIZATIONS AND COVID-19

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Learning aims

1. Understand what social inequality is, and why it is important to study in the context of organizations.
2. Reflect why organizations should have an interest in reducing inequality.
3. Recognize the link between inequality and the political role of corporations.
4. Understand how organizations create inequality and why organizational practices that produce inequality are so persistent within organizations.
Covid-19 is an equaliser, it shows nobody is safe from the virus!
Wash your hands and keep your distance!
Inequality: A global grand challenge

Source: https://images.app.goo.gl/j84pg9K6aHAWkeAt7
What is inequality?
Defining inequality

— Inequality can be generally defined as the degree to which people are considered or treated unequally, or experience unequal outcomes (Bapuji & Mishra, 2015).

— Relevant for organization studies: **Demographic** and **economic** inequality (Bapuji, & Mishra, 2015)
What is inequality?
Organizations and inequality
Value creation
Value appropriation
Value distribution

Source: Bapuji et al. 2018
FIGURE 1
Institutional Myths, Organizational Practices, and the Reproduction of Inequalities

Source: Amis et al. 2020
Conclusion

— Inequality exists on the social but also on the organizational level.
— While inequality can take many shapes, demographic and economic inequality are of most interest to organization scholars.
— Organizations affect inequality in society, but also inequality in society impacts organizations.
— Through CSR, organizations contribute to the reduction of inequalities; yet, this raises crucial questions of accountability.
— Through processes of value creation, value appropriation and value distribution, business firms create inequality.
— Institutionalized myths in organizational efficiency, meritocracy and positive globalization facilitate the persistence of inequality.
Studying organizations, inequality and Covid-19: New questions

— In the pandemic, a strong focus is laid on the economic responsibilities of corporations (providing essential service, keeping their business running). Where does this leave more vulnerable stakeholders, and what does this mean for CSR?
— Does the public debate on “system-relevant occupations” lead to more equal compensation for low-wage jobs? Which conditions hinder or facilitate this process?
— Does the pandemic provide a sufficient disruption to challenge institutionalized myths about the positive sides of globalization and the overall functionality of today’s global economic system?
List of references


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