JOURNAL OF MANAGEMENT STUDIES

Journal of Management Studies 46:6 September 2009
doi: 10.1111/j.1467-6486.2009.00821.x

Negative Emotional Reactions to Project Failure and the Self-Compassion to Learn from the Experience

Dean A. Shepherd and Melissa S. Cardon

Indiana University; Pace University

ABSTRACT Project failure is likely to generate a negative emotional response for those involved in the project. But do all people feel the same way? And are some better able to regulate their emotions to learn from the failure experience? In this paper we develop an emotion framework of project failure that relies on self-determination to explain variance in the intensity of the negative emotions triggered by project failure and self-compassion to explain variance in learning from project failure. We discuss the implications of our model for research on entrepreneurial and innovative organizations, employees' psychological ownership, and personal engagement at work.

INTRODUCTION

Projects are regularly created and terminated within entrepreneurial organizations. By projects we mean new ventures, new products, new services, entering new markets, and/or implementing new processes. For example, 'seventy percent of Nokia's new ventures were either discontinued or entirely divested [between 1998 and 2002]. Another 21% were absorbed into existing business units and ceased to exist as independent ventures' (McGrath et al., 2006, p. 51). Biotechnology organizations are highly dependent upon the creation of new drugs (Deeds and DeCarolis, 2000; Rothaermel and Deeds, 2004), yet 'while a typical R&D process lasts up to 13 years, only one out of 10,000 substances becomes a marketable product' (Gassmann and Reepmeyer, 2005, p. 233). Projects to take existing products to new markets can fail (Li, 1995) as can proposed process innovations (Iacovoc and Dexter, 2005), new ventures (Sminia, 2003), and alliances (White, 2005). For example, one study found that half of all information systems projects in the USA in 1995 failed and these failures cost $140 billion (Keil and Robey, 1999). Although costly, these project failures provide individuals and organizations an opportunity to learn from the experience (Hammad, 2003; McGrath, 1999).

Address for reprints: Dean Shepherd, Indiana University, Kelley School of Business, 1309 East Tenth Street, Bloomington, Indiana 47405-1701, USA (shepherd@indiana.edu).

Project failure is the termination of a project due to the realization of unacceptably low performance as operationally defined by the project's key resource providers (Shepherd et al., 2009) and can be viewed as a trigger that prompts new behaviours and thoughts and stirs emotions in both employees and managers (Kiefer, 2005), particularly negative emotions (Fisher, 2000; Huy, 2002; Kiefer, 2005).[1] For example, Murray (2006) asserted that 'a decision to scrap a project in any stage of its development is going to create a more intense negative reaction and concerted resistance within the project team and the business units affected, and possibly within senior management'. A negative emotional reaction is when an event causes an individual's core affect to become negative (Seo et al., 2004) in response to the project failure. These negative emotions can lead organizational members to overestimate the likelihood of negative outcomes and to underestimate the likelihood of positive outcomes for subsequent projects (Nygren et al., 1996), as well as become more risk averse (Lerner and Keltner, 2001). Furthermore, these negative emotions can impact attitudes and behaviours (George and Jones, 2001; Weiss and Cropanzano, 1996) that decrease trust and commitment towards the organization, increase turnover intentions and work slowdowns (e.g. Kiefer, 2005; Patterson and Cary, 2002; Schweiger and De Nisi, 1991), as well as hinder the process of learning from the failure experience (Shepherd, 2003, 2009; Shepherd et al., 2009). Although project failure represents an opportunity to learn from the experience, many people involved with project failures do not do so (Disterer, 2002; Garvin, 1993).

Given these implications of negative emotions generated from project failure, it is important to understand why some project failures generate a more intense negative emotional reaction than others. It is also important to understand why some individuals' negative emotional reactions have a more detrimental impact on subsequent learning than do others. To address these issues we develop a framework of project failure building on self-determination to explain the intensity of the negative emotional reactions and build on the notion of self-compassion to explain regulation of these emotions to more effectively learn from the failure. In doing so, we believe that we make four primary contributions.

First, scholars of entrepreneurship, strategy and organizational change have often approached change as a problem to be solved, such as with a rational multi-step process (e.g. unfreezing, moving, refreezing (Vince and Broussine, 1996), or a strategic issue that can be optimized (Kotter and Schlesinger, 1979). While scholars have begun to investigate which organizational changes are likely to generate emotions – e.g. dissolution of production teams (Cox, 1997) or movement to shared governance models (Bartunek et al., 2006), they have not yet explored the heterogeneity across individuals in the level of negative emotions triggered from a project failure and heterogeneity in their ability to regulate those emotions. We focus on the varying intensity of negative emotions generated by project failure across members of the same project team and across projects for a particular organizational member to explain learning from the failure experience.

Second, research on project failure has focused on the reasons for this outcome (e.g. lack of innovativeness from, for example, lack of social cohesion in the team (Sethi et al., 2001), inappropriate allocation of scarce resources (Dillon et al., 2003), or incomplete

market research (Hill, 1988)) and has acknowledged the need for learning from project failure (e.g. Sethi and Iqbal, 2008) but has provided little explanation of the heterogeneity in employees' abilities to learn from a specific project failure experience. Our model offers such an explanation. However, rather than addressing how to solve the problem of emotions by attempting to eliminate them, we take a self-compassion perspective to explain how individuals differ in their ability to regulate these negative emotions to learn from the failure experience. We draw on the literature on coping and compassion to address when and how people deal effectively, or less effectively, with personally important work failures.

Third, recent research has focused on cognitive strategies for managing the negative emotions triggered by failure (Shepherd, 2003, 2009; Shepherd et al., 2009). Although this research has made an important contribution, it assumes a negative emotional reaction and does not offer an explanation for why people vary in the extent of their emotional reaction to failure (across people and within individuals across projects). In this paper we offer such an explanation. Further, rather than focusing on a cognitive strategy to manage emotions (such as the dual process model of oscillating orientations (Shepherd, 2003)), in this paper we investigate how self-compassion influences the relationship between the negative emotions of project failure and learning from the experience. Self-compassion is different from, but likely complementary to, cognitive strategies for managing emotions.

Finally, we seek to contribute to the growing literature on positive organizational psychology. This research stream focuses on positive aspects of organizational life that 'lead to the development of human strength, foster vitality and flourishing in employees, make possible resilience and restoration, and cultivate extraordinary individual and organizational performance' (Bernstein, 2003, p. 266), rather than the more typical focus on negative aspects such as competitiveness and greed. Constructs of interest in this literature stream include those often neglected in organizational research, such as 'compassion, resilience, forgiveness, courage, and positive emotions' (Bernstein, 2003, p. 266). To date this literature has focused on interpersonal positivity in organizations. We contribute by focusing on positive aspects of organizational life taking an intrapersonal perspective. Although the trigger to positivity is a negative emotional reaction to project failure, our focus on self-compassion and self-forgiveness subsequent to such failure fits well within a positive organizational scholarship framework. As Dutton and Sonenshein (2009) argued, from a positive organizational scholarship (POS) perspective, negative states may be important for explaining the flourishing or the cultivation of strengths. For example, Sutcliffe and Vogus (2003) showed that negative setbacks are critical to the development of resilience. Consistent with such an approach, we emphasize the capability of individuals to learn following the negative emotional reaction triggered by project failures; we take a positive perspective on a negative event.

This paper proceeds as follows. First, we develop the self-determination aspect of our model to explain the intensity of the negative emotional reaction to project failure. Second, we develop the self-compassion aspect of our model to explain variance in the relationship between these negative emotions and learning from failure. Finally, we discuss the implications of our model.

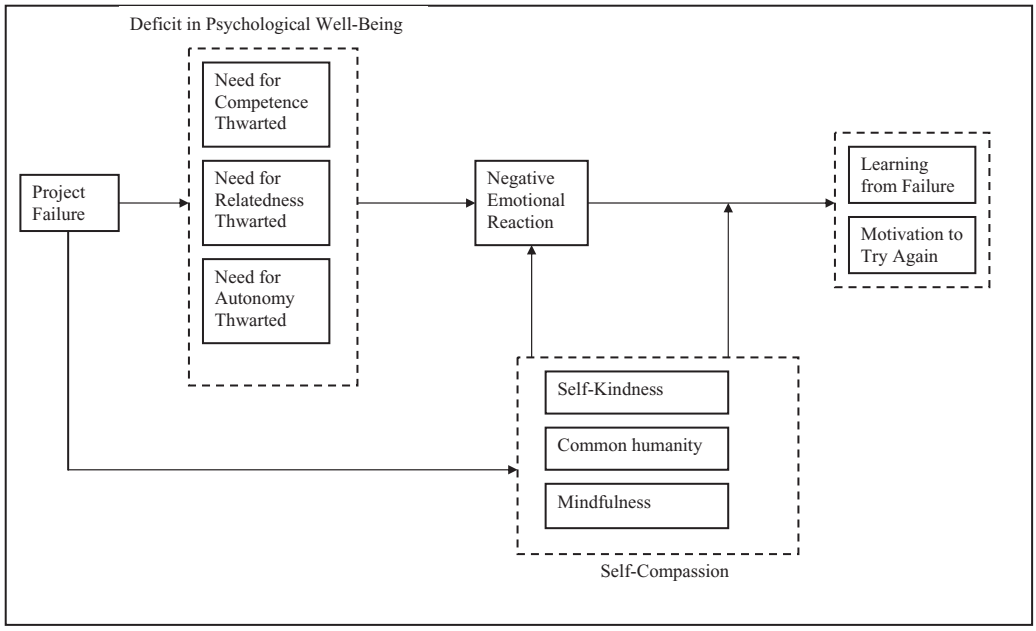

Figure 1. A model of an organizational member's emotional process from project failure

EMOTIONAL REACTION TO PROJECT FAILURE AND THE SELF-COMPASSION TO LEARNING FROM THE EXPERIENCE

Our model is illustrated in Figure 1. In the centre of the model is the intensity of the negative emotional reaction to project failure. The intensity of the negative emotional reaction to project failure depends on the importance of the project to the organizational member. The negative emotional reaction is proposed to be more intense, the more that the project failure creates a decrease in psychological well-being (PWB) (because it thwarts the needs for competence, relatedness and autonomy). Although negative emotions can highlight the importance of the project to encourage scanning for new information, negative emotions interfere with the learning process. The extent to which it interferes with an individual's learning from the failure depends on his or her self-compassion. The greater his or her self-compassion (self-kindness, common humanity and mindfulness), the less interference a given level of negative emotions will have on learning from the failure experience. Those with greater self-compassion will also face fewer obstacles to the motivation to try again. In the sections that follow we develop each aspect of the model.

The Intensity of the Negative Emotional Reactions to Project Failure

In an organization, employees often develop feelings of psychological ownership (Pierce et al., 2001) for projects, people, or events where they feel they have control over the object, deep knowledge of the object, and where they have invested heavily of themselves

in terms of time, effort, and energy in the object. Such feelings of psychological ownership can lead to employees' self-identities being intertwined with the identities of the project and the project team. As resources are deployed from a failed project, the project team is likely broken up and redeployed to other tasks resulting in the loss of close relationships. In such a case, project failure can lead to a loss of part of a member's self-identity, which can have dysfunctional or even pathological consequences (Pierce et al., 2001).

There are numerous examples of project failure that occur in organizations that generate negative emotions among its members (e.g. bitter disappointment (Cunningham, 2004); the low point of my career (Eggen and Witte, 2006); and emotional devastation (Dillon, 1998)). However, do all project failures generate a negative emotional reaction? Is there variability in the level of negative emotions triggered by project failure? We use a self-determination theory perspective to develop a model of the negative emotional reactions to project failure because a self-determination theory perspective (a) is focused on psychological well-being of individuals, which has been linked to emotions, (b) focuses on criteria for importance driven by the nature of the individual's context, and (c) has been extensively investigated in the organizational setting. Psychological well-being 'refers to the extent to which an individual experiences self-acceptance, positive relations with others, autonomy, environmental mastery, purpose in life, and personal growth' (Ryff, 1989).

Self-Determination Theory (SDT) is concerned with explicating the psychological processes that promote optimal functioning and health (Deci and Ryan, 2000, p. 262; Ryan and Deci, 2000), and thus PWB. An individual's environment provides the level of nutriments for three needs that are associated with PWB. To the extent that these needs are not satisfied there is a decrease in PWB. It is important to note that the satisfaction of these needs varies between individuals and within individuals across projects (Sheldon et al., 1996). The three psychological needs are for competence, relatedness and autonomy. Individuals are motivated to perform well on those projects that satisfy these psychological needs. Indeed such a motivation can be categorized as intrinsic motivation because it involves active engagement with tasks that an individual finds interesting and that in turn promotes psychological growth (Deci and Ryan, 2000).

Although projects that satisfy individuals' needs for competence, autonomy, and relatedness will generate greater levels of intrinsic motivation than projects that satisfy these needs to a lesser extent, they will also generate more intense negative emotional reactions when they fail.[2] This notion of the importance of a project based on the extent to which it satisfied these psychological needs is consistent with prior research on commitment through psychological ownership and personal engagement at work. Psychological ownership is when an individual feels that a particular project or other target belongs to them, such that an identity bonding between the individual and project has occurred and meaning and emotion associated with possessiveness and ownership exists, even though the individual has no legal claim over the project (Pierce et al., 2001). Similarly, personal engagement is the idea of how much people bring in their personal selves to their work roles (Kahn, 1990) and the extent to which there is 'the simultaneous employment and expression of a person's preferred self in task behaviours that promote

connections to work and to others, personal presence, and active, full role performances' (Kahn, 1990, p. 700). Major aspects of psychological ownership are autonomy and relatedness, and major aspects of personal engagement are relatedness and competence, referred to by Kahn (1990) as meaningfulness, which arises from people feeling worthwhile, useful, and valuable when engaging in an activity. These literatures suggest that when projects fulfil individuals' needs for autonomy, relatedness, and competence, individuals are more inclined to develop feelings of psychological ownership of the projects, and are more inclined to be personally engaged in their work. As such, greater levels of psychological ownership and personal engagement in a project are likely to lead to more intense negative emotional reactions when the project fails. Each of the psychological needs is explored.

Project failure, a thwarted need for competence, and intensity of negative emotional reaction. The importance of a project to an individual is partly dependent on the extent to which it satisfies the psychological need for competence and once it has been lost, this need remains unsatisfied (thwarted). A psychological need for **competence** 'is satisfied when feedback provides information to the individual about their high performance at a task' and a psychological need for competence is thwarted when feedback provides information of poor performance (Deci and Ryan, 2000). There is a substantial body of evidence from the motivation literature that links tasks that satisfy needs for competence and motivation towards those tasks (Fisher, 1978; McMullen and Shepherd, 2006; Vallerand and Reid, 1984). Projects can satisfy an organizational member's need for competence for several reasons.

First, a project may provide experiences that enhance learning (Dweck, 1986) and build feelings of mastery (Butler, 1992). Feelings of mastery indicate the development of competence (Rawsthorne and Elliot, 1999). Second, a project team's culture can help satisfy a need for competence; constructive competition within or across project teams can be a source for confirming an employee's competence (Tjosvold et al., 2003). Third, possessing membership in a group can satisfy psychological needs for competence. A group itself can develop confidence in its competence (Gist, 1987; Lindsley et al., 1995) that is highly valued by its members and be a source of a group member's self-identity (Tajfel and Turner, 1979, 1986).

Therefore, there is likely a decrease in PWB when an employee: (1) loses a project where he or she feels they are learning important skills and/or where they believe they have high task specific competence; (2) loses a project team culture that maintains constructive competition and is replaced by a climate of destructive competition with others unsupportive of one's efforts; or (3) loses membership in a group by being reassigned to a different, less competent group. Specifically, a change in group membership can be perceived as a loss of a key component to the employee's identity, diminishing his or her sense of competence and self-worth (Steele, 1988). When these possessions are lost with project failure and not fully replaced by, say a subsequent project, the psychological need for competence is thwarted, triggering a negative emotional reaction. Projects likely differ to the extent that they satisfy the need for competence and therefore differ to the extent to which they thwart this need when they fail.

Project failure, a thwarted need for autonomy, and intensity of negative emotional reaction. The importance of a project is also influenced by the extent to which a project satisfies the psychological need for autonomy. **Autonomy** 'refers to personal control and at work provides employees the ability to decide when, where and how the job is to be done' (Bailyn, 1993; Thompson and Prottas, 2006). Projects differ to the extent that they provide employees with greater autonomy. That is, individuals value more those things for which they have personal control and less those things that are controlled more externally. Managers can provide organizational members autonomy with a project through empowerment (Logan and Ganster, 2007; Lok et al., 2005), low formal structure (O'Driscoll et al., 2006), job design, participative decision making, sound learning and self-management (Liden and Tewksbury, 1995; Seibert et al., 2004). They can also provide autonomy through structures and processes (Bennis and Nanus, 1985), such as those that promote information sharing, autonomous action, and that have teams as the locus of decision making authority (Blanchard et al., 1995; Seibert et al., 2004). Contexts that provide individuals with greater autonomy have been found to be associated with an enhanced well-being (Deci et al., 1981, 1989), job satisfaction (Hackman and Oldham, 1980; Purasuraman and Alutto, 1984) and lower levels of stress (Purasuraman and Alutto, 1984; Thompson and Prottas, 2006). In contrast, rewards and evaluations that undermine autonomy while engaged in an activity have been found to decrease creativity (Amabile, 1982), complex problem solving (McGraw and McCullers, 1979) and deep conceptual processing of information (Deci and Ryan, 2000).

The management and organizational systems, processes and structures that promote the satisfaction of a project team member's needs for autonomy can change when the associated project fails. For example, management's termination of a project can be perceived as threatening the member's sense of control (Dirks et al., 1996), which is especially problematic if team members have identified themselves with, or feel psychological ownership of, the project (Pierce et al., 2001). When organizations radically alter or cancel projects for which members felt they had control over, the members may experience loss, frustration, and stress (Bartunek, 1993; Pierce et al., 2001). Therefore, the failure of a project can thwart the satisfaction of the need for autonomy, generating a negative emotional reaction. Work projects likely differ to the extent that they satisfy the need for autonomy and therefore differ to the extent to which they thwart this need when they fail.

Project failure, a thwarted need for relatedness, and intensity of negative emotional reaction. The importance of a project is also likely influenced by the extent to which it satisfies the psychological need for relatedness. **Relatedness** 'refers to feeling connected to, and understood by, others' (Patrick et al., 2007). For example, it has been empirically found that individuals are more motivated when their context is characterized by a sense of secure relatedness (Ryan and La Guardia, 2000; Ryan et al., 1994). Indeed, there is considerable evidence that individuals have a need to feel related to others and act in a way to satisfy that need. Individuals have been found to experience positive affect from increases in relatedness to others in a group (McAdams, 1985; McAdams and Bryant, 1987) and negative affect when this relatedness is lacking (Leary, 1990); negative affect such as anxiety (Baumeister and Tice, 1990; Craighead et al., 1979), loneliness (Russell et al., 1984) and negative physical and psychological well-being (DeLongis et al., 1988).

Projects provide organizational members opportunities to satisfy the need to feel related. This is achieved by, for example, supervisor and/or co-worker support (Caverley et al., 2007; Thompson and Prottas, 2006), identifying with a group within the organization (Richter et al., 2006), and/or identifying with the organization (Ashforth, 2001; Barker and Tomkins, 1994). Project failure can lead to the loss of a particular supervisor or co-worker relationship, thwarting the need for relatedness (cf. Vince and Broussine, 1996). This loss and change associated with project failure can undermine attachments employees have with other individuals, which previously provided them a basic framework for meaning and relatedness (Marris, 1986; Vince and Broussine, 1996), and thus enhanced their psychological well-being. For example, PWB is lower among employees that have less supportive team members and managers (Gilbreath and Benson, 2004).

It also appears that PWB is reduced when an employee's identity is threatened by project failures that disband his or her team and redeploy these previous team members across other groups throughout the organization. This threat to identity is particularly strong for those employees that feel that the work group was an extension of the self (Belk, 1988; Dittmar, 1992). When the project fails, the threat to social identity thwarts the need for relatedness and generates a negative response (Aquino and Douglas, 2003; DeLongis et al., 1988). Projects likely differ to the extent that they satisfy the need for relatedness and therefore differ to the extent to which they thwart this need when they fail.

In sum, organizational members, as all people, have a psychological need for competence, autonomy, and relatedness. Projects likely differ to the extent that they satisfy these needs and therefore differ to the extent to which they thwart these needs when they fail. The more these needs are thwarted the more intense the negative emotional reaction to the project failure. Thus:

> *Proposition 1*: Failure of projects that had satisfied an organizational member's need for (a) competence, (b) autonomy and (c) relatedness more will generate a more intense negative emotional reaction than does the failure of projects that had satisfied the need for competence, autonomy and relatedness less.

NEGATIVE EMOTIONS AND LEARNING

Negative emotions have been found to interfere with individuals' ability to process information (Mogg et al., 1990; Wells and Matthews, 1994), which is necessary for learning. This is not to suggest that emotions do not have some learning benefits – they do. For example, negative emotions signal that something important is in jeopardy or been lost (Luce et al., 1997), which can be beneficial by directing attention and resources to the event (Clore, 1992; Pieters and Raaij, 1988; Schwarz and Clore, 1988). This allocation of attention is necessary for the scanning and information processing required to learn (Cacioppo et al., 1999; Weick, 1979) and to motivate change (Lazarus, 1993). However, as stated above, negative emotions can also interfere with learning. Negative emotions can narrow the scanning for information (Gladstein and Reilly, 1985; Staw et al., 1981; Sutton and D'Aunno, 1989) and interfere with the processing of that information (Matthews et al., 1990). Negative emotions can also divert scarce informa-

tion processing capacity from the event to the emotions generated by the event (Nolen-Hoeksema and Morrow, 1991). The learning benefits of negative emotions are outweighed by its costs for more complex tasks (Huber, 1985).

The desired benefits of learning from project failure occur when the organizational member compares the project's performance (where it failed) with the original plans on that dimension of the task to increase understanding of the nature of the performance gap and hopefully the reason for the failure (McGrath, 1999, p. 23). Learning often involves repeating whatever strategies, routines, or practices have been successful in the current, or other, organizations (e.g. vicarious learning; Kim and Miner, 2007). Learning can occur equally well (or better; Sitkin, 1992) from studying failures, in particular, because failures encourage the search for new actions or new business models or routines (Kim and Miner, 2007; Miner et al., 1999). When learning after project failure is effective, it can provide the organization with information about their assumptions (about product favourability, strategic direction, etc) that can help them make better decisions going forward (McGrath, 1999). Thus learning in the context of project failure involves understanding the causes of the failure, testing out key assumptions which guided the project that failed to see if they are worthy of retaining or need to be altered, and developing capabilities to change the processes, strategies, procedures, or actions that led to the failure. More specifically, although project failure within organizations provides valuable learning opportunities (Corbett et al., 2008; McGrath, 1999; Sitkin, 1992), when these failures are emotionally painful they are less likely to be discussed and learning from these experiences is compromised (McGrath, 1999; Shepherd, 2009; Shepherd et al., 2009).

Just as we expect variance in the level of an individual's negative emotions generated across project failures and across team members for a particular project failure, we also expect variance in the way individuals respond to that negative emotional reaction. More specifically, the question is why some individuals are better able to overcome the negative emotional interference to learning from the failure experience than others. We explore learning from project failure by proposing that self-regulation (specifically self-compassion) is a moderator to the relationship between the level of negative emotions experienced in reaction to a project failure and learning from the experience. Based on the insights of social psychology and the literature on failure, we investigate how various attributes of self-compassion can facilitate individuals' learning from project failure.

SELF-COMPASSION DYNAMICS AND LEARNING FROM FAILURE

There is an extensive literature on how individuals respond to negative emotions, including work on emotion regulation, coping, and compassion. In general, emotional regulation involves individuals' attempts to influence which emotions they have, when they have them, and how they are experienced or expressed (Gross, 1998). Emotion regulation may lead to better psychological health because it may decrease the stress of what may otherwise cause a loss of psychological well-being (e.g. Frijda, 1988; Seligman, 1991).[3] Gross (1998) argued that there are two primary forms of emotion regulation, one focused on manipulating the inputs to the emotional system, such as by preventing the

triggering of the emotion or diminishing the level of emotion triggered (antecedent-focused emotion regulation), and one focused on manipulating the outputs of the emotional system, such as by suppressing the emotional response tendencies once the emotion has already been generated (response-focused emotion regulation). Antecedent focused regulation can occur in many ways, such as through approaching or avoiding certain situations based on their likely emotional impact, turning attention towards or away from certain things to change the emotions one experiences, and cognitive change where an individual re-evaluates either the situation or his or her capacity to manage the situation (Gross, 1998). In the case of project failure, antecedent-focused emotion regulation could involve reappraising the failure to decrease its emotional relevance to the individual, such as by convincing oneself the project did not provide competence, relatedness, or autonomy.

Response-focused emotion regulation can also occur in many ways. Such regulation does not change the subjective experience of the emotion (in this case, a negative one), but would involve what the individual does once they experience the negative emotion from project failure. We anticipate that individuals experiencing negative emotions will likely want to diminish or curtail the experience of such emotions and the associated expression of, and physiological responses to, them. They might do this through distracting themselves from the negative emotion or by trying to find another project that satisfies their needs for competence, relatedness, and autonomy. While reappraisal and other forms of antecedent-focused emotion regulation are often preferable to response-focused emotion regulation (Gross, 1998) because, for example, suppression of negative emotions typically involves high levels of personal strain (Côté, 2005), it is not always possible to prevent oneself from experiencing the emotion. This is consistent with our arguments above that projects that do thwart an individual's needs for competence, relatedness, and autonomy will generate greater negative emotional reactions, because the failure of the project has emotional relevance to the individual.

A second literature that addresses how individuals respond to negative emotions is in the area of compassion. Perceived social support from others is associated with positive well-being of individuals, and organizations can be places where compassion is given and received (Kanov et al., 2004). Such compassion may range from empathetic listening to others' troubles (Frost, 2003), feeling sympathy (Carlo et al., 1999; Struthers et al., 2004), and to full-scale responses to unexpected traumatic events (Dutton et al., 2006). Compassion is largely viewed as a positive and influential force in organizations (Kanov et al., 2004). Interestingly, compassion in organizations has been studied at a variety of levels of analysis, including individual compassion for others (Nussbaum, 1996), compassion as a relational process occurring through connections between people (Kanov et al., 2004), and how individuals come together in providing a coordinated compassionate response at an organizational level of analysis (e.g. compassion organizing (Dutton et al., 2006) and emotional capability (Huy, 1999)[4]). Across these levels, however, the definition and components of compassion are fairly consistent. Compassion is an expression of an innate human instinct to respond to the suffering of others to alleviate that suffering, where that suffering includes the experience of pain or loss that threatens a person's sense of meaning about their own existence (Dutton et al., 2006; Reich, 1989). Thus in this way compassion is a response to a threat to a person's self-meaning or psychological

well-being. In addition, compassion involves responding to another's suffering, so includes action, not just emotion (Dutton et al., 2006).

Just as compassion for others involves noticing, feeling, and responding to another's suffering (Dutton et al., 2006), **self-compassion** involves 'self-awareness that one is experiencing a sense of loss, determination of the source of that loss feeling (in this case, project failure), and intention to respond to the loss by doing something about it'. A self-compassionate individual is touched by one's own suffering generated from project failure, is aware of one's own pain and desires to alleviate this suffering by healing oneself rather than avoiding or disconnecting from the source of the suffering (Neff, 2003a; Wispe, 1991). With self-compassion the individual seeks to remain connected to organizational action. Self-compassion is somewhat different from compassion for others, in that the relational process of compassion (Kanov et al., 2004) occurs through the interaction and relationship one has with oneself. We describe three dynamics involved with self-compassion (self-kindness, common humanity and mindfulness) and link them to (1) the intensity of the negative emotional reaction to project failure, and (2) the moderation of the relationship between negative emotions and learning from failure.

Our approach makes a number of assumptions. First, self-compassion can be learned and develops over time. There is empirical evidence to support this assumption (Neff, 2003b; Shapiro et al., 2005). Second, self-compassion represents a necessary (but not sufficient) condition for individuals to learn from project failure. Finally, while we assume that the disparate literature stream we use to develop our model (Buddhist philosophy, psychology, and education) is relevant, we also build our argument in concert with more conventional organizational motivation and learning literatures by offering a compassion-based, conceptual foundation for explaining why learning from project failure is so difficult to realize and how such difficulties might be attenuated.

Self-Compassion, Negative Emotions, and Learning from Project Failure

Self-compassion involves being caring towards oneself in the face of hardship or perceived inadequacy (Bennett-Goleman, 2001; Brach, 2003; Hanh, 1997; Neff, 2004), which, in the context of the current research, is in the face of project failure. It involves being touched by one's own suffering, being aware of one's own pain and desiring to alleviate one's suffering by healing oneself rather than by avoiding or disconnecting from the source of suffering (adapted from Wispe (1991) consistent with Neff (2003a)). In demonstrating self-compassion, individuals are less anxious about negative events and are able to maintain increased psychological well-being (Neff, 2004).

Our focus is on the self-regulatory mechanisms that seek to address or overcome threats triggered by project failure and that enhance the ability to learn from failure. In the model we propose that individuals that show caring to oneself in assessing project failure (self-kindness), place project failure in perspective with others (common humanity) and keep emotions in balance (mindfulness), generate less of a negative emotional reaction to project failure and are better able to use project failure as an opportunity to learn. In the next sub-section we describe these exemplars of self-compassion that help individuals self-regulate their negative emotional reaction to project failure in a way that is conducive to learning from the experience. Our purpose here is not to offer an

exhaustive list of mechanisms by which individuals promote self-kindness, common humanity and mindfulness, but to suggest that such mechanisms likely exist and are important in explaining why some individuals experience weaker negative emotional reactions to project failure and why some individuals are better able to learn from the failure experience.

Self-kindness, negative emotions, and learning from project failure. **Self-kindness** 'refers to extending caring and understanding to oneself rather than harsh judgment and self-criticism (Neff, 2003a, p. 89) after project failure'. Self-kindness is demonstrated, in part, when an individual (a) tries to understand and be patient towards those aspects of oneself that he or she does not like, (b) is caring to oneself when experiencing suffering from project failure, (c) gives oneself the tenderness needed when going through the hard times associated with project failure, (d) tolerates one's own flaws and inadequacies that lead to project failure, and (e) tries to be loving towards oneself when feeling emotional pain over project failure (cf. Neff, 2003b). Thus individuals with high levels of self-kindness who experience project failure are less likely to harshly criticize themselves for failing to meet ideal standards for the project.

Self-kindness does not diminish the emotional importance of the project that failed but dissuades individuals from judging themselves as 'bad' based on its failure. With self-kindness, individuals are less likely to harshly criticize the self for failing to meet ideal standards (Neff, 2003a) which creates a buffer against anxiety when considering one's weaknesses (Neff et al., 2007). Along with less anxiety, self-kindness helps prevent individuals from ruminating, which leads to an escalation of negative emotions (Nolen-Hoeksema, 1991). Therefore by being able to divorce project failure as an event from evaluations of the self, a self-kind organizational member can reduce the level of negative emotional reaction to project failure. Thus:

> *Proposition 2a*: The more self-kind an organizational member, the weaker the negative emotional reaction to a project's failure.

Self-kindness relies on discriminating wisdom, which 'clearly evaluates the positive or negative quality of actions but does so with a compassionate understanding of the complex, dynamic situational factors that impact these actions, so that particular performances are not taken as indicators of self-worth' (Neff et al., 2005, p. 264). This does not mean that such failings go unnoticed or are passively accepted. On the contrary, self-kindness helps remove barriers to learning from failure. It is when one harshly judges oneself that the protective mechanisms of the ego are activated. These mechanisms screen inadequacies from self-awareness so that self-esteem is maintained (Horney, 1950; Neff, 2003a; Reich, 1949) but obstruct learning. Self-kindness provides the emotional safety net to allow greater self-awareness through a more objective perspective of the failure event. That is, it prevents individuals from being carried away by their subjective reactions (Neff, 2003a), perhaps leading to ruminations (Nolen-Hoeksema, 1991), and exacerbating negative emotions further (Nolen-Hoeksema, 1991). These exacerbated negative emotions typically interfere with the learning process (Nolen-Hoeksema, 1991; Shepherd, 2003), because when negative emotions

are the focus, individuals have less attention and information processing available for learning from the failure event. In addition, awareness of one's mistakes and weaknesses is an important input into the learning process, and self-kindness can enhance this awareness. By being able to assess project failure divorced from overall evaluations of self-worth, a self-compassionate individual has fewer obstacles to interfere in the learning process. Thus:

Proposition 2b: Greater self-kindness will reduce the negative impact a negative emotional reaction from project failure has on learning from the experience.

Common humanity and learning from project failure. **Common humanity** 'refers to perceiving one's experiences as part of the larger human experience rather than seeing them as separating and isolating' (Neff, 2003a, p. 85). That is, an organizational member perceives his or her own failure experience in light of the common human experience in an organization, acknowledging that failures are part of the innovative process and that all people – oneself included – are worthy of compassion. This allows the individual to remain interconnected and equal with others (Brown, 1999) and thus more likely to extend oneself forgiveness for mistakes that lead to project failure.

These mechanisms emphasizing commonality are unlikely to diminish the importance of any one organizational project to the employee, but rather when the project fails the subsequent feelings are put in a context. That is, by recognizing that the feelings of suffering from project failure are shared with other employees, individuals are less critical of themselves (Rubin, 1975) and more likely to forgive themselves for their mistakes (Neff, 2003a). Project failure is therefore seen less as a challenge to one's self-esteem. However, for those with less common humanity, project failure is likely to be seen as more threatening because the individual feels isolated and therefore experiences lower relatedness, and the associated diminished PWB. Threatening situations are perceived negatively, causing stress and anxiety (e.g. Leary et al., 2001). Thus:

Proposition 3a: The greater the common humanity of an organizational member, the weaker the negative emotional reaction to a project's failure.

Greater common humanity is also likely to impact one's learning from failure, because the recognition that everyone experienced the loss generated by the failure may allow the organizational member to also share in the necessary unbiased diagnosis of the cause and potential solutions for the project failure. By lessening the degree of blame on oneself, individuals are less likely to engage ego defensive mechanisms such as arbitrary externalized attributions of blame. Externalizing causes of blame are often effective in protecting self-esteem (e.g. Brockner and Guare, 1983) but provide little scope for learning since there is little to learn when one believes a failure is caused by factors entirely beyond the individual's control (e.g. Diener and Dweck, 1980). Instead, the experience of common humanity may lead to a shared desire to determine the appropriate attributions for the failure. Certainly an organizational member could attribute project failures to a variety of causes (e.g. oneself, management, the economy). However, true learning from the failure event, in terms of trying to understand what actually went wrong and how to

prevent similar problems from occurring in the next project, requires a fair and honest assessment of the failure's root causes. Leary et al. (2007) refer to this as impartial attributions rather than self-attributions. Neff (2003a) argued that self-compassion should be just as effective in protecting organizational members' PWB from negative events regardless of whether the event was their fault. Leary et al. (2007) empirically found that self-compassion led to greater effort to be kind to oneself when negative events were attributed to oneself, but that in general self-compassion provides benefits regardless of the attribution for blame.

Common humanity is partly demonstrated by an organizational member when he or she tries to remind themselves that feelings of inadequacy are shared by most people after project failure, tries to see one's failings as part of the human condition in an organizational context, reminds oneself that there are lots of people in this organization and other organizations that feel down and out when a project fails, and that these are difficulties that everyone goes through (adapted from Neff, 2003b). Without this connection to others, individuals can become isolated, reducing their informal learning of skills and access to important information, as well as make them less able to exercise initiative (Martinko and Gardner, 1982). An organizational member with greater common humanity no longer remains connected with the failure because he or she has forgiven oneself for making the mistakes that lead to the failure (and has also forgiven others that may be blamed for the failure), and such forgiveness ameliorates the defensive mechanisms that interfere with the learning process. Thus:

> *Proposition 3b*: Greater common humanity will reduce the negative impact a negative emotional reaction from project failure has on learning from the experience.

Mindfulness and learning from project failure. **Mindfulness** refers to 'holding painful thoughts and feelings in balanced awareness rather than over-identifying with them' (Neff, 2003a, p. 85).[5] It is demonstrated, in part, through an emphasis on balance and avoidance of over-identification. For example, a mindful organizational member keeps emotions from project failure in balance, approaches feelings about project failure with curiosity and openness and takes a balanced view of the failure event by keeping things in perspective (adapted from Neff, 2003b). Organizational members low in mindfulness likely become heavily influenced by their own feelings (Neff, 2003a, p. 88). For example, when focusing on a project failure, attention can shift from the event to the negative emotions surrounding the event, escalating the negative emotional reaction (Nolen-Hoeksema, 1991) to the project's failure.

This is not to suggest that a mindful organizational member does not feel emotions from project failure, rather these emotions are put in a larger context so that their significance is seen with greater perspective (Neff, 2003a, p. 89; Teasdale et al., 2000). This larger context does not threaten self-esteem and therefore does not trigger the erection of ego-protective barriers to learning. Mindfulness helps break the cycle of self-absorption and avoid ruminations and over-identification. For example, Shapiro et al. (2005) found that an eight week mindfulness-based stress reduction intervention was effective in increasing self-compassion and lowering stress in healthcare profession-

als. Mindfulness makes the negative outcomes of project failure less salient and therefore minimizes the negative emotional reaction to it. Thus:

Proposition 4a: The more mindful an organizational member, the weaker the negative emotional reaction to a project's failure.

Rather than focusing on the painful thoughts and feelings surrounding project failure, a mindful organizational member does not link the project failure to his or her self-worth and therefore is able to avoid severe judgments and criticisms of the self to accept the experience for what it is (a learning opportunity) and to bring it into conscious awareness (Hayes et al., 1996). Mindfulness allows the use of emotions to signal the importance of the event as a learning opportunity (Lazarus, 1993; Weick, 1979) but not let the generation of negative emotions consume information processing capacity (Matthews et al., 1990; Wells and Matthews, 1994), limiting the individual's ability to learn from the experience. Balancing emotions in such a way is an important aspect of self-regulation and the central characteristic for mindfulness. For example, managing negative emotions from an event can be achieved by oscillation between a loss orientation – a focus on working through and processing some aspect of the failure event – and a restoration orientation – distracting oneself from thinking about the loss and attending to secondary stressor caused by the failure (Shepherd, 2003; Stroebe and Schut, 1999). Oscillation is a mechanism by which organizational members can keep their negative emotions from project failure in balance to enhance the learning process. Individuals vary in their ability to regulate emotion (Tugade and Fredrickson, 2004), and some are better at using emotion knowledge (mindfulness) to cope in times of stress (Barrett and Gross, 2001).

Mindfulness keeps ruminations and over identifications in check to allow for greater discernment in detecting valuable information about the failure event, and then interpreting and learning from that information. Mindfulness can be considered at one level a form of detachment similar to the open, non-judgmental stance taken in therapist–client interactions (Bohart, 1993; Neff, 2003a). But it is not detached from the process; rather mindfulness involves detaching the evaluation of the event from the evaluation of the self. By detaching the event from oneself, fewer barriers to learning are erected. Thus:

Proposition 4b: Greater mindfulness will reduce the negative impact a negative emotional reaction from project failure has on learning from the experience.

DISCUSSION

The purpose of our model was to offer an explanation for the intensity of the negative emotional reaction to project failure and the ability to learn from the failure experience. The intensity of the negative emotional reaction to project failure depends on the extent that the satisfaction of the psychological needs of competence, autonomy and relatedness are thwarted by the loss of project involvement. Further, we suggested that more intense negative emotional reactions are likely to have a detrimental effect on learning from failure unless individuals are competent self-regulators, in particular having high levels

of self-compassion, including self-kindness, common humanity, and mindfulness. We believe that this model has a number of important implications.

First, we believe that project failure is a form of change not sufficiently represented by the current emotion-focused change models. This literature has focused on organizational members' resistance to, or behaviours as a result of, organizational change. For example, Kiefer (2005) studied the negative emotions generated by perceptions of an ongoing organizational change – perceptions of an insecure future, of inadequate working conditions, and of treatment by the organization. The outcome variables were trust in the organization and withdrawal from the organization. Similarly, Shapiro and Kirkman (1999) investigated the emotional response to the implementation of self-managing work teams (organizational change) on resistance to change and turnover intentions. Our study is consistent with the above in that we also investigate psychological consequences of a change event. However, our focus on project failure represents a unique form of organizational change experienced by a member. It is unique in that the change was introduced by the organizational member's (and/or his or her team's) poor performance at the project task. The change was not top-down induced such as with the introduction of self-managing work teams (Shapiro and Kirkman, 1999), merger (Cartwright and Cooper, 1993), and downsizing (Conlon and Shapiro, 2002). Emphasis is on managing the process of change to remove resistance and ensure commitment to (and success of) the change effort. In this paper we focused on project failure where the organizational member was the 'cause' of the change, and thus a highly relevant outcome is individual learning from the experience. That is, the response to one project failure (a change) impacts the likelihood of subsequent project failure (additional changes). Further, because we are looking at project failures that have personal significance, or where psychological ownership exists (Pierce et al., 2001), such events are more likely to elicit emotional reactions, based on cognitive appraisal theories of emotion (e.g. Lazarus, 1991). We hope that future research further explores the role of emotion and emotion regulation from member-induced change on non-motivational outcomes.

Second, our model incorporates both hedonic and eudiamonic perspectives on well-being, both of which are essential for individuals to thrive at work (Spreitzer et al., 2005). **Hedonically**, 'people seek out pleasurable experiences', and **eudaimonically**, 'individuals seek to realize their full potential as human beings' (Spreitzer et al., 2005). When psychological well-being is decreased, such as from the failure of a project from which organizational members previously received eudemonic pleasure (such as from a feeling of fulfilment at exercising one's competence, autonomy, and relatedness), their hedonic well-being or simple pleasure is also likely to suffer resulting in negative emotions. The combined effect is that individuals are no longer capable of thriving at work since they are likely less cognitively and affectively engaged in their work (Spreitzer et al., 2005). Although the negative implications of organizational members not thriving at work are already well understood (e.g. Danna and Griffin, 1999; Spreitzer et al., 2005; Wright and Cropanzano, 1998), our model offers an explanation for variability in organizational members' thriving at work after a project failure. Of particular interest to future research is that it is perhaps the very relationship that organizational members have with their projects that promotes their thriving at work that also means that they will experience more intense negative emotional reaction when that project fails. Indeed, the notion of

antecedent-focused emotion regulation (Gross, 1998) suggests that emotional reactions will be lessened when individuals deliberately distance themselves from things, such as work projects, that otherwise may evoke potentially negative emotions.

Third, and related to the previous point, our model of the intensity of the negative emotional reaction to project failure provides a way to further examine the concept of disengagement at work (Kahn, 1990), or how people uncouple themselves from work roles which they may have previously internalized. During the process of personal disengagement, organizational members physically, cognitively, and/or emotionally withdraw themselves from a work role (Kahn, 1990), which can have major implications for attitudes and behaviours within the workplace. For example, disengaged workers may be apathetic or detached from their work (Goffman, 1961), performing only the minimum requirements of their jobs, or they may be impersonal or emotionally unexpressive with co-workers and customers (e.g. Rafaeli and Sutton, 1990). Individuals who experience strong negative emotional reactions to project failure may purposefully disengage in their work roles in order to protect themselves from potential future experiences of project failure (or perhaps only while recovering from negative emotional reactions). Future research that explicitly examines how people are enlivened or deadened during role performances at work (Kahn, 1990) following project failures may yield important insights into this process. Moreover, examination of how self-compassion can thwart dis-engagement and foster re-engagement in work roles seems promising, particularly in terms of how organizations can facilitate member's re-engagement.

Fourth, we examine the relationship between self-compassion and learning from project failure as a complement to existing work on psychological well-being and positive organizational psychology. The positive relationship between self-esteem and psychological well-being is important because diminished psychological well-being has been associated with elevated health problems (Buttner, 1992; Ufuk and Özgen, 2001), psychological problems (Jamal, 1997; Jamal and Badawi, 1995) and work dissatisfaction (Buttner, 1992; Jamal, 1997). However, self-regulation mechanisms for building and maintaining a high self-esteem may not be an unambiguous blessing and have been associated with narcissism, self-absorption and self-centredness (Damon, 1995; Ryan and Deci, 2001; Seligman, 1995). We complement self-esteem explanations with the notion of self-compassion as a self-regulation mechanism well suited for dealing with failure experiences. Self-compassion reduces the need for individuals to engage ego-defensive mechanisms that on the one hand protect self-esteem but on the other hand obstruct learning.

Our focus on more positive constructs such as compassion, forgiveness, and psychological well-being are consistent with the effort of the positive organizational psychology movement to focus on positive rather than negative aspects of organizational life. In particular, we contribute to the stream of research called positive organizational behaviours (POB), which looks at positive strengths and psychological capacities of individuals that can be measured, developed, and managed in the workplace (Luthans and Youssef, 2004). Both POS and POB look at positive states of individuals at work, in contrast to personality type variables more typically investigated in positive organizational psychology (Luthans and Youssef, 2004). While POS often uses an individual, group, or organizational level of analysis, to our knowledge this research has not yet explored an intra-individual level of analysis. Our contribution is thus to look at such intra-individual

variation of both how strong the negative emotional reaction to project failure is for individuals, as well as how well they are able to learn from such failure, as it varies based upon the particular project that has failed and the extent to which it is experienced as a personally meaningful loss.

Finally, the model of negative emotional reactions from work-related failure has implications for research on individuals' roles within entrepreneurial and innovative organizations. Entrepreneurial and innovative organizations pursue high-variance opportunities, and while this helps improve mean performance it also means that they are likely to experience many project failures (McGrath, 1999). While real options reasoning provides a mechanism for managing the uncertainty of projects, our model suggests that project failure will generate a negative emotional reaction for those involved in the project (although a more intense reaction for some than others and more intense for some projects that other projects). Understanding the role of project failure on the psychological and emotional well-being of organizational members is an important complement to research on the management of entrepreneurial and innovative organizations. In addition, further investigations of the role that self-compassion plays in learning from project failure will likely have important implications for the effectiveness of real options reasoning as an organizational strategy.

Future Research

To empirically test the proposed model, future researchers could rely on well established measures for the satisfaction of needs for competence, autonomy and relatedness (for a review, see Deci et al., 1999). For example, an adaptation of Vlachopoulos and Michailidou (2006) could include questions on the extent to which the failed project had satisfied the need for: (1) competence like 'I felt that I make a substantial contribution towards progressing the project' and 'I felt that I executed very effectively the project's tasks'; (2) autonomy like 'I feel that the way that I work on the project is definitely an expression of myself' and 'I felt very strongly that I had the opportunity to make choices with respect to how the project was undertaken'; and (3) relatedness like 'I felt extremely comfortable with the other members of the project team' and 'I felt that there were open channels of communication with the other team members'. There are also established measures for negative emotions (Barclay et al., 2005; Chen and Spector, 1991). Using a longitudinal design, researchers could capture the intrinsic motivation of work (satisfaction of the needs for competence, autonomy and relatedness) pre- and post-project emotions. This gap could be used to explain variance in the intensity of the negative emotional reaction to project failure. Empirically explaining variance in the intensity of the negative emotional reaction to project failure will represent an important step towards a deeper understanding of individual differences in learning from failure.

In addition, existing scales for self-compassion can be used to measure self kindness, common humanity, and mindfulness (SCS) (Neff, 2003b). Leary et al. (2007) have suggested a number of other important considerations in empirically examining self-compassion, including how it differs from self-esteem, its relationship to attributions for negative events, and how it impacts self-evaluation versus other evaluations of performance. Longitudinal research could explore the dynamic process of how organizational

members cope with the negative emotions generated by project failure over time, varying not only in whether or not they recover but to what extent and how long the process takes them, and how these are influenced by the three aspects of self-compassion. Measures of learning from project failure also need to be developed. For example, learning could be measured by the accuracy of attributions organizational members make for the failure (self-attributions versus impartial attributions; Leary et al., 2007). Of note is that learning is not always immediate, so longitudinal research should take into account varying time lags in collecting such data.

Third, future research could explore how other contextual variables, such as the level of perceived organizational support (e.g. Rhoades and Eisenberger, 2002), supervisory or unit-level support and control (e.g. Bacharach and Bamberger, 2007), procedural fairness (Thibaut and Walker, 1975), or even compassion organizing (Dutton et al., 2006) at an organizational or unit level might influence individual self-compassion and reaction and recovery following project failure. We suspect that there will likely be dynamic joint influences of both sets of variables on individual learning following project failure.

Fourth, we have assumed that higher levels of self-compassion are always better than lower levels of self-kindness, common humanity, and mindfulness. However, excessive levels of any of these may prove detrimental rather than beneficial to one's ability to regulate negative emotional reactions and learn following project failures. For example, too much self-kindness may lead to complacency or laziness, where organizational members do not take action to prevent future mistakes because they more easily forgive themselves for things they do wrong (Leary et al., 2007). Excessive common humanity may lead to an inability to form an identity distinct from one's work group, since common humanity involves seeing oneself as part of a broader group that shares similar experiences. A lack of a feeling of distinctiveness can diminish psychological well-being – distinctiveness and belonging need to be balanced (Brewer, 1991). Extreme mindfulness may lead to a diminished emotional reaction to events that are indeed worthy of an extreme reaction (or total focus and immersion in a particular emotional experience), such as the demise of an entire organization (Shepherd, 2003). Prior research has suggested that these are not likely problems from self-compassion, since it is associated with proactive acceptance, growth, and confronting (rather than avoiding) current negative outcomes (Leary et al., 2007). However, further research should consider the potential for curvilinear rather than linear relationships between these aspects of self-compassion and the experience of negative emotional reactions to failure, as well as the potential learning following failure.

Finally, in this paper we categorized negative emotions together (consistent with a number of studies on emotions at work (Cox, 1997; Fisher, 2000; Huy, 2002). However, discrete emotion theory (Scherer et al., 2001) proposes that when we combine a number of different emotions we lose information about the distinctive role of each emotion (Lazarus, 2003). Future research can investigate which negative emotions are generated from different project failures. Perhaps those project failures that thwart the need for competence generate different negative emotions than those project failures that thwart the need for autonomy. Future research, from a discrete emotion theory perspective, can investigate the different impact that different negative emotions have on learning from

failure. Perhaps self-compassion is more effective at diminishing the negative impact of anger on learning from failure but not on the relationship between anxiety and learning.

CONCLUSION

Organizations want employees who can learn and adapt to change. A key learning opportunity arises when projects fail (McGrath, 1999; Shepherd, 2003) due to underperformance of individuals or teams. We suggest that individuals are better equipped to learn following negative emotional reactions to project failure when they are able to demonstrate self-compassion in the form of self-kindness, common humanity, and mindfulness. Thus organizations should seek to encourage such behaviour and even provide developmental opportunities where employees can learn such skills. Luthans and Youssef (2004) suggest many ways in which individuals can develop their positive psychological capital, including their resiliency subsequent to failure experiences. More broadly, organizations can work to develop self-regulation and emotional coping skills in their employees (e.g. Gross, 1998; Kerr et al., 2006), so that the potentially productive benefits of negative events, such as learning from project failures, can be realized. We encourage additional work on the practical and scholarly issues related to failure, negative emotional reactions, and self-compassion.

NOTES

[1] Projects can also be terminated for other reasons, such as having achieved their strategic objective. Whether the project is terminated because of poor performance (failure) or for other strategic reasons, both may generate a negative emotional reaction.

[2] Negative emotional reaction refers to the experience of an emotion that is negatively valent such as loss, frustration, stress, sadness, emptiness, dejection, or fear (Bartunek, 1993; Scherer et al., 2001) following a specific event, in this case the failure of a work project. We follow the assumptions of appraisal theory (Scherer et al., 2001) that emotions are triggered by evaluations of events that cause specific reactions in different people.

[3] Others have suggested, however, that suppression of emotions such as through regulation may instead increase physical health risks (e.g. Gross and Levenson, 2007).

[4] Huy's (1999, p. 325) notion of emotional capability refers 'to an organization's ability to acknowledge, recognize, monitor, discriminate, and attend to its members' emotions, and it is manifested in the organization's norms and routines related to feeling (Schein, 1992)'. These feelings include empathy and sympathy. While emotional capability is an organizational level construct and empathy and sympathy are meso-level constructs, our focus is at the individual level and we are not focused on understanding the emotions of others that are suffering (empathy) or the emotions one feels in response to others' suffering (sympathy), but on the compassion one shows oneself when experiencing the failure of an important project.

[5] Over-identifying with negative emotions can lead to ruminations.

REFERENCES

Amabile, T. M. (1982). 'Social psychology of creativity: a consensual assessment technique'. *Journal of Personality And Social Psychology*, **43**, 997–1013.

Aquino, K. and Douglas, S. C. (2003). 'Identity threat and antisocial behavior in organizations: the moderating effects of individual differences, aggressive modeling and hierarchical status'. *Organizational Behavior and Human Decision Processes*, **90**, 195.

Ashforth, B. E. (2001). *Role Transitions in Organizational Life: An Identity-Based Perspective*. Hillsdale, NJ: Erlbaum.

Bacharach, S. B. and Bamberger, P. A. (2007). '9/11 and New York City firefighters' post hoc unit support and control climates: a context theory of the consequences of involvement in traumatic work-related events'. *Academy of Management Journal*, **50**, 849–68.
Bailyn, L. (1993). 'Patterned chaos in human resource management'. *Sloan Management Review*, **34**, 77–83.
Barclay, L. J., Skarlicki, D. P. and Pugh, S. D. (2005). 'Exploring the role of emotions in injustice perceptions and retaliation'. *Journal of Applied Psychology*, **90**, 629–43.
Barker, J. R. and Tomkins, P. K. (1994). 'Identification in the self-managing organization: characteristics of target and tenure'. *Human Communication Research*, **21**, 223–40.
Barrett, F. L. and Gross, J. J. (2001). 'Emotion representation and regulation: a process model of emotional intelligence'. In Mayne, T. and Bonnano, G. (Eds), *Emotion: Current Issues and Future Directions*. New York: Guilford Press, 286–310.
Bartunek, J. M. (1993). 'The multiple cognitions and conflicts associated with second order organizational change'. In Murnighan, J. K. (Ed.), *Social Psychology in Organizations: Advances in Theory and Research*. Englewood Cliffs, NJ: Prentice Hall, 322–49.
Bartunek, J. M., Rousseau, D. M., Rudolph, J. W. and DePalma, J. A. (2006). 'On the receiving end: sensemaking, emotion, and assessments of an organizational change initiated by others'. *Journal of Applied Behavioral Science*, **42**, 182–206.
Baumeister, R. F. and Tice, D. M. (1990). 'Anxiety and social exclusion'. *Journal of Social and Clinical Psychology*, **9**, 165–95.
Belk, R. W. (1988). 'Possessions and the extended self'. *Journal of Consumer Research*, **15**, 139–68.
Bennett-Goleman, T. (2001). *Emotional Alchemy: How the Mind Can Heal the Heart*. New York: Three Rivers Press.
Bennis, W. and Nanus, B. (1985). *Leaders*. New York: Harper and Row.
Bernstein, S. S. (2003). 'Positive organizational scholarship: meet the movement. An interview with Kim Cameron, Jane Dutton, and Robert Quinn'. *Journal of Management Inquiry*, **12**, 266–71.
Blanchard, K. H., Carlos, J. P. and Randolph, W. A. (1995). *The Empowerment Barometer and Action Plan*. Escondido, CA: Blanchard Training and Development.
Bohart, A. (1993). 'Experiencing: the basis of psychotherapy'. *Journal of Psychotherapy Integration*, **3**, 51–67.
Brach, T. (2003). *Radical Acceptance: Embracing Your Life with the Heart of a Buddha*. New York: Bantam.
Brewer, M. B. (1991). 'The social self: on being the same and different at the same time'. *Personality and Social Psychology Bulletin*, **17**, 475–82.
Brockner, J. and Guare, J. (1983). 'Improving the performance of low self-esteem individuals: an attributional approach'. *Academy of Management Journal*, **26**, 642–56.
Brown, B. (1999). *Soul Without Shame: A Guide to Liberating Yourself from the Judge Within*. Boston, MA: Shambala.
Butler, R. (1992). 'What young people want to know when: effects of mastery and ability goals on interest in different kinds of social comparisons'. *Journal of Personality and Social Psychology*, **62**, 934–43.
Buttner, E. H. (1992). 'Entrepreneurial stress: is it hazardous to your health?'. *Journal of Managerial Issues*, **4**, 223–40.
Cacioppo, J. T., Gardner, W. L. and Berntson, G. G. (1999). 'The affect system has parallel and integrative processing components: form follows function'. *Journal of Personality and Social Psychology*, **76**, 839–55.
Carlo, G., Allen, J. B. and Buhman, D. C. (1999). 'Facilitating and disinhibiting prosocial behaviors: the nonlinear interaction of trait perspective taking and trait personal distress on volunteering.'. *Basic and Applied Social Psychology*, **21**, 189–97.
Cartwright, S. and Cooper, C. L. (1993). 'The psychological impact of merger and acquisition on the individual: a study of building society managers'. *Human Relations*, **46**, 327–47.
Caverley, N., Cunningham, J. B. and MacGregor, J. N. (2007). 'Sickness presenteeism, sickness absenteeism, and health following restructuring in a public service organization'. *Journal of Management Studies*, **44**, 304–19.
Chen, P. Y. and Spector, P. E. (1991). 'Negative affectivity as the underlying cause of correlations between stressors and strains'. *Journal of Applied Psychology*, **76**, 398–407.
Clore, G. L. (1992). 'Cognitive phenomenology: feelings and the construction of judgment'. In Martin, L. L. and Tesser, A. (Eds), *The Construction of Social Judgments*. Hillsdale, NJ: Erlbaum, 133–64.
Conlon, D. E. and Shapiro, D. L. (2002). 'Employee postings and company responses to downsizing inquiries: implications for managing and reacting to organizational change'. *Advances in Qualitative Organization Research*, **4**, 39–67.
Corbett, A. C., Neck, H. M. and DeTienne, D. R. (2008). 'How corporate entrepreneurs learn from fledgling innovation initiatives: cognition and the development of a termination script'. *Entrepreneurship: Theory and Practice*, **31**, 829.

Côté, S. (2005). 'A social interaction model of the effects of emotion regulation on work strain'. *Academy of Management Review*, **30**, 509–30.
Cox, J. R. W. (1997). 'Manufacturing the past: loss and absence in organizational change'. *Organization Studies*, **18**, 623–54.
Craighead, W. E., Kimball, W. H. and Rehak, P. J. (1979). 'Mood changes, physiological responses, and self-statements during social rejection imagery'. *Journal of Consulting and Clinical Psychology*, **47**, 385–96.
Cunningham, G. (2004). *Five Cities Chosen to Compete for the 2012 Summer Olympics*. www.citymayors.com/sport/2012olympics_jan04 (accessed 1 January 2006).
Damon, W. (1995). *Greater Expectations: Overcoming the Culture of Indulgence in America's Homes and Schools*. New York: Free Press.
Danna, K. and Griffin, R. W. (1999). 'Health and well-being in the work place: a review and synthesis of the literature'. *Journal of Management*, **25**, 357–84.
Deci, E. L. and Ryan, R. M. (2000). 'The "what" and "why" of goal pursuits: human needs and the self-determination of behavior'. *Psychological Inquiry*, **11**, 227–68.
Deci, E. L., Schwartz, A. J., Sheinman, L. and Ryan, R. M. (1981). 'An instrument to assess adults' orientations toward control versus autonomy with children: reflections on intrinsic motivation and perceived competence'. *Journal of Educational Psychology*, **73**, 642–50.
Deci, E. L., Connell, J. P. and Ryan, R. M. (1989). 'Self-determination in a work organization'. *Journal of Applied Psychology*, **74**, 580–90.
Deci, E. L., Koestner, R. and Ryan, R. M. (1999). 'A meta-analytic review of experiments examining the effects of extrinsic rewards on intrinsic motivation'. *Psychological Bulletin*, **125**, 627–68.
Deeds, D. L. and DeCarolis, D. (2000). 'Dynamic capabilities and new product development in high technology ventures: an empirical analysis of new biotechnology firms'. *Journal of Business Venturing*, **15**, 211–29.
DeLongis, A., Folkman, S. and Lazarus, R. S. (1988). 'The impact of daily stress on health and mood: psychological and social resources as mediators'. *Journal of Personality and Social Psychology*, **54**, 486–9.
Diener, C. I. and Dweck, C. S. (1980). 'An analysis of learned helplessness: II. The processing of success'. *Journal of Personality and Social Psychology*, **39**, 940–52.
Dillon, P. (1998). *Failure is Just Part of the Culture of Innovation: Accept It and Become Stronger*. Available at: http://www.fastcompany.com/online/20/yu.html (accessed 1 January 2007).
Dillon, R. L., Paté-Cornell, M. E. and Guikema, S. D. (2003). 'Programmatic risk analysis for critical engineering systems under tight resource constraints'. *Operations Research*, **51**, 354–70.
Dirks, K. T., Cummings, L. L. and Pierce, J. L. (1996). 'Psychological ownership in organizations: conditions under which individuals promote and resist change'. In Woodman, W. W. and Pasmore, W. A. (Eds), *Research in Organizational Change and Development*. Greenwich, CT: JAI Press, **9**, 1–23.
Disterer, G. (2002). 'Management of project knowledge and experiences'. *Journal of Knowledge Management*, **6**, 512–20.
Dittmar, H. (1992). *The Social Psychology of Material Possessions: To Have it to Be*. New York: St Martin Press.
Dutton, J. E. and Sonenshein, S. (2009). 'Positive organizational scholarship'. In Lopez, S. and Beuchamps, A. (Eds), *Encyclopedia of Positive Psychology*. Hoboken, NJ: Blackwell, in press.
Dutton, J. E., Worline, M. C., Frost, P. J. and Lilius, J. M. (2006). 'Explaining compassion organizing'. *Administrative Science Quarterly*, **51**, 59–96.
Dweck, C. S. (1986). 'Motivational processes affecting learning'. *American Psychologist*, **41**, 1040–8.
Eggen, D. and Witte, G. (2006). 'The FBI's upgrade that wasn't'. *Washington Post*, 18 August, A01.
Fisher, C. D. (1978). 'The effects of personal control, competence, and extrinsic reward systems on intrinsic motivation'. *Organizational Behavior and Human Performance*, **21**, 273–88.
Fisher, C. D. (2000). 'Mood and emotions while working: missing pieces of job satisfaction?'. *Journal of Organizational Behavior*, **21**, 185–202.
Frijda, N. H. (1988). 'The laws of emotion'. *American Psychologist*, **43**, 349–58.
Frost, P. (2003). *Toxic Emotions at Work*. Boston, MA: Harvard Business School Press.
Garvin, D. A. (1993). 'Building a learning organization'. *Harvard Business Review*, **71**, 78–91.
Gassmann, O. and Reepmeyer, G. (2005). 'Organizing pharmaceutical innovation: from science-based knowledge creators to drug-oriented knowledge brokers'. *Creativity and Innovation Management*, **14**, 233–45.
George, J. M. and Jones, G. R. (2001). 'Towards a process model of individual change in organizations'. *Human Relations*, **54**, 419–44.
Gilbreath, B. and Benson, P. G. (2004). 'The contribution of supervisor behaviour to employee psychological well-being'. *Work and Stress*, **18**, 255–66.

Gist, M. E. (1987). 'Self-efficacy: implications for organizational behavior and human resource management'. *Academy of Management Review*, **12**, 472–85.
Gladstein, D. L. and Reilly, N. P. (1985). 'Group decision making under threat: the tycoon game'. *Academy of Management Journal*, **28**, 613–27.
Goffman, E. (1961). *Encounters: Two Studies in the Sociology of Interaction*. Indianapolis: Bobbs-Merrill.
Gross, J. J. (1998). 'Antecedent- and response-focused emotion regulation: divergent consequences for experience, expression, and physiology'. *Journal of Personality and Social Psychology*, **74**, 224–37.
Gross, J. J. and Levenson, R. W. (2007). 'Emotional suppression: physiology, self-report, and expressive behavior'. *Journal of Personality and Social Psychology*, **64**, 970–86.
Hackman, J. R. and Oldham, G. R. (1980). *Work Redesign*. Reading, MA: Addison-Wesley.
Hammad, A. (2003). 'Knowledge levels and their transformation: towards the integration of knowledge creation and individual learning'. *Journal of Management Studies*, **40**, 1997–2021.
Hanh, T. N. (1997). *Teachings on Love*. Berkeley, CA: Parallax Press.
Hayes, S. C., Wilson, K. G., Gifford, E. V., Follette, V. M. and Strosahl, K. (1996). 'Experiential avoidance and behavioral disorders: a functional dimensional approach to diagnosis and treatment'. *Journal of Consulting and Clinical Psychology*, **64**, 1152–68.
Hill, P. (1988). 'The market research contribution to new product failure and success'. *Journal of Marketing Management*, **3**, 269–77.
Horney, K. (1950). *Neurosis and Human Growth: The Struggle Toward Self-realization*. New York: Norton.
Huber, V. L. (1985). 'Effects of task difficulty, goal setting and strategy on performance of a heuristic task'. *Journal of Applied Psychology*, **70**, 492–504.
Huy, Q. N. (1999). 'Emotional capability, emotional intelligence, and radical change'. *Academy of Management Review*, **24**, 325–45.
Huy, Q. N. (2002). 'Emotional balancing of organizational continuity and radical change: the contribution of middle managers'. *Administrative Science Quarterly*, **47**, 31–69.
Iacovoc, C. L. and Dexter, A. S. (2005). 'Surviving IY project cancellations'. *Communications of the ACM*, **48**, 83–6.
Jamal, M. (1997). 'Job stress, satisfaction, and mental health: an empirical examination of self-employed and non-self-employed Canadians'. *Journal of Small Business Management*, **35**, 48–57.
Jamal, M. and Badawi, J. A. (1995). 'Job stress and quality of working life of self-employed immigrants: a study in workforce diversity'. *Journal of Small Business and Entrepreneurship*, **12**, 55–63.
Kahn, W. A. (1990). 'Psychological conditions of personal engagement and disengagement at work'. *Academy of Management Journal*, **33**, 692–724.
Kanov, J. M., Maitlis, S., Worline, M. C., Dutton, J. E., Frost, P. J. and Lilius, J. M. (2004). 'Compassion in organizational life'. *The American Behavioral Scientist*, **47**, 808–27.
Keil, M. and Robey, D. (1999). 'Turning around troubled software projects: an exploratory study of the deescalation of commitment to failing courses of action'. *Journal of Management Information Systems*, **15**, 63–87.
Kerr, R., Garvin, J., Heaton, N. and Boyle, E. (2006). 'Emotional intelligence and leadership effectiveness'. *Leadership & Organization Development Journal*, **27**, 265–79.
Kiefer, T. (2005). 'Feeling bad: antecedents and consequences of negative emotions in ongoing change'. *Journal of Organizational Behavior*, **26**, 875–97.
Kim, J.-Y. and Miner, A. S. (2007). 'Vicarious learning from the failures and near-failures of others: evidence from the U.S. commercial banking industry'. *Academy of Management Journal*, **50**, 687–714.
Kotter, J. and Schlesinger, L. (1979). 'Choosing strategic for change'. *Harvard Business Review*, **57**, 106–14.
Lazarus, R. S. (1991). 'Progress on a cognitive-motivational-relational theory of emotion'. *American Psychologist*, **46**, 819–34.
Lazarus, R. S. (1993). 'From psychological stress to the emotions: a history of a changing outlook'. *Annual Review of Psychology*, **44**, 1–21.
Lazarus, R. S. (2003). 'Does the positive psychology movement have legs?'. *Psychological Inquiry*, **14**, 93–109.
Leary, M. R. (1990). 'Responses to social exclusion: social anxiety, jealousy, loneliness, depression, and low self-esteem'. *Journal of Social and Clinical Psychology*, **9**, 221–9.
Leary, M. R., Koch, E. and Hechenbleikner, N. (2001). 'Emotional responses to interpersonal rejection'. In Leary, M. R. (Ed.), *Interpersonal Rejection*. New York: Oxford University Press, 145–66.
Leary, M. R., Tate, E. B., Allen, A. B., Adams, C. E. and Hancock, J. (2007). 'Self-compassion and reactions to unpleasant self-relevant events: the implications of treating oneself kindly'. *Journal of Personality and Social Psychology*, **92**, 887–904.

Lerner, J. S. and Keltner, D. (2001). 'Fear, anger and risk'. *Journal of Personality and Social Psychology*, **81**, 146–59.
Li, J. (1995). 'Foreign entry and survival: effects of strategic choices on performance in international markets'. *Strategic Management Journal*, **16**, 333–51.
Liden, R. C. and Tewksbury, T. W. (1995). 'Empowerment and work teams'. In Ferris, G. R., Rosen, S. D. and Barnum, D. T. (Eds), *Handbook of Human Resources Management*. Oxford: Blackwell, 386–403.
Lindsley, D. H., Brass, D. J. and Thomas, J. B. (1995). 'Efficacy-performance spirals: a multilevel perspective'. *Academy of Management Review*, **20**, 645–78.
Logan, M. S. and Ganster, D. C. (2007). 'The effects of empowerment on attitudes and performance: the role of social support and empowerment beliefs'. *Journal of Management Studies*, **44**, 1523–50.
Lok, P., Hung, R. Y., Walsh, P., Wang, P. and Crawford, J. (2005). 'An integrative framework for measuring the extent to which organizational variables influence the success of process improvement programmes'. *Journal of Management Studies*, **42**, 1357–81.
Luce, M. F., Bettman, J. R. and Payne, J. W. (1997). 'Choice processing in emotionally difficult decisions'. *Journal of Experimental Psychology: Learning Memory and Cognition*, **23**, 384–405.
Luthans, F. and Youssef, C. M. (2004). 'Human, social, and now positive psychological capital: investing in people for competitive advantage'. *Organizational Dynamics*, **33**, 1–22.
Marris, P. (1986). *Loss and Change*. London: Routledge.
Martinko, M. J. and Gardner, W. L. (1982). 'Learned helplessness: an alternate explanation for performance deficits'. *Academy of Management Review*, **7**, 195–204.
Matthews, A., May, J., Mogg, K. and Eysenck, M. W. (1990). 'Attentional bias in anxiety: selective search or defective altering?'. *Journal of Abnormal Psychology*, **99**, 166–73.
McAdams, D. P. (1985). *Power, Intimacy, and the Life Story: Personological Inquiries into Identity*. Homewood, IL: Dorsey.
McAdams, D. P. and Bryant, F. B. (1987). 'Intimacy motivation and subjective mental health in a nationwide sample'. *Journal of Personality*, **55**, 395–413.
McGrath, R. G. (1999). 'Falling forward: real options reasoning and entrepreneurial failure'. *Academy of Management Review*, **24**, 13–30.
McGrath, R. G., Keil, T. and Tukiainen, T. (2006). 'Extracting value fro corporate venturing'. *MIT Sloan Management Review*, **48**, 50–6.
McGraw, K. O. and McCullers, J. C. (1979). 'Evidence of a detrimental effect of extrinsic incentives on breaking a mental set'. *Journal of Experimental Social Psychology*, **15**, 285–94.
McMullen, J. S. and Shepherd, D. A. (2006). 'Encouraging consensus-challenging research in universities'. *Journal of Management Studies*, **43**, 1643–69.
Miner, A. S., Kim, Y.-Y., Holzinger, I. and Haunschild, P. R. (1999). 'Fruits of failure: organizational failure and population level learning'. In Miner, A. S. and Anderson, P. (Eds), *Advances in Strategic Management: Population Level Learning and Industry Change*. Greenwich, CT: JAI Press, **16**, 187–200.
Mogg, K., Mathews, A., Bird, C. and MacGregor-Morris, R. (1990). 'Effects of stress and anxiety on the processing of threat stimuli'. *Journal of Personality and Social Psychology*, **59**, 1230–7.
Murray, M. (2006). 'Is it time to kill the project'. *IT Manager's Journal*. Available at: http://www.itmanagersjournal.com/feature/12315 (accessed 1 January 2006).
Neff, K. D. (2003a). 'Self-compassion: an alternative conceptualization of a healthy attitude toward oneself'. *Self and Identity*, **2**, 85–102.
Neff, K. D. (2003b). 'The development and validation of a scale to measure self-compassion'. *Self and Identity*, **2**, 223–50.
Neff, K. D. (2004). 'Self-compassion and psychological well-being'. *Constructivism in the Human Sciences*, **9**, 27–37.
Neff, K. D., Hsieh, Y. and Dejitthirat, K. (2005). 'Self-compassion, achievement goals, and coping with academic failure'. *Self and Identity*, **4**, 263–87.
Neff, K. D., Kirkpatrick, K. and Rude, S. S. (2007). 'Self-compassion and its link to adaptive psychological functioning'. *Journal of Research in Personality*, **41**, 139–54.
Nolen-Hoeksema, S. (1991). 'Responses to depression and their effects on the duration of depressive episodes'. *Journal of Abnormal Psychology*, **100**, 569–82.
Nolen-Hoeksema, S. and Morrow, J. (1991). 'A prospective study of depression a distress following natural disaster: the 1989 Loma Prieta earthquake'. *Journal of Personality and Social Psychology*, **61**, 105–21.
Nussbaum, M. C. (1996). 'Compassion: the basic social emotion'. *Social Philosophy and Policy*, **13**, 27–58.
Nygren, T. E., Isen, A. M., Taylor, P. J. and Dulin, J. (1996). 'The influence of positive affect on the decision rule in risk situations: focus on outcome (and especially avoidance of loss) rather than probability'. *Organizational Behavior and Human Decision Processes*, **66**, 59–72.

O'Driscoll, M. P., Pierce, J. L. and Coghlan, A. M. (2006). 'The psychology of ownership'. *Group and Organization Management*, **31**, 388–416.
Patrick, H., Canevello, A., Knee, C. R. and Lonsbary, C. (2007). 'The role of need fulfillment in relationship functioning and well-being: a self-determination theory perspective'. *Journal of Personality & Social Psychology*, **92**, 434–57.
Patterson, J. M. and Cary, J. (2002). 'Organization justice, change anxiety, and acceptance of downsizing: preliminary tests of an AET-based model'. *Motivation and Emotion*, **26**, 83–103.
Pieters, R. G. M. and van Raaij, W. F. (1988). 'The role of affect in economic behavior'. In van Raaij, W. F., van Veldhoven, G. M. and Warneryd, K. E. (Eds), *The Handbook of Economic Psychology*. London: Kluwer Academic Publishers, 108–44.
Pierce, J. L., Kostova, T. and Kirks, K. T. (2001). 'Toward a theory of psychological ownership in organizations'. *Academy of Management Review*, **26**, 298–310.
Purasuraman, S. and Alutto, J. A. (1984). 'Sources and outcomes of stress in organizational settings: toward the development of a structural model'. *Academy of Management Journal*, **27**, 330–50.
Rafaeli, A. and Sutton, R. I. (1990). 'Busy stores and demanding customers: how do they affect the display of positive emotion?'. *Academy of Management Journal*, **33**, 623–37.
Rawsthorne, L. J. and Elliot, A. J. (1999). 'Achievement goals and intrinsic motivation: a meta-analytic review'. *Personality and Social Psychology Review*, **3**, 326–44.
Reich, W. (1949). *Character Analysis*. New York: Orgone Institute Press.
Reich, W. T. (1989). 'Speaking of suffering: a moral account of compassion'. *Soundings*, **72**, 83–108.
Rhoades, L. and Eisenberger, R. (2002). 'Perceived organizational support: a review of the literature'. *Journal of Applied Psychology*, **87**, 698–714.
Richter, A. W., West, M., van Dick, R. and Dawson, J. F. (2006). 'Boundary spanners' identification, intergroup contact and effective intergroup relations'. *Academy of Management Journal*, **49**, 1252.
Rothaermel, F. T. and Deeds, D. L. (2004). 'Exploration and exploitation alliances in biotechnology: a system of new product development'. *Strategic Management Journal*, **25**, 201–21.
Rubin, T. I. (1975). *Compassion and Self-Hate: An Alternative to Despair*. New York: D. McKay.
Russell, D., Cutrona, C. E., Rose, J. and Yurko, K. (1984). 'Social and emotional loneliness: an examination of Weiss's typology of loneliness'. *Journal of Personality and Social Psychology*, **46**, 1313–21.
Ryan, R. M. and Deci, E. L. (2000). 'Self-determination theory and the facilitation of intrinsic motivation, social development, and well-being'. *American Psychologist*, **55**, 68–78.
Ryan, R. M. and Deci, E. L. (2001). 'On happiness and human potential: a review of research on hedonic and eudaimonic well-being'. *Annual Review of Psychology*, **52**, 141–66.
Ryan, R. M. and La Guardia, J. G. (2000). 'What is being optimized over development? A self-determination theory perspective on basic psychological needs across the life span'. In Quails, S. and Abeles, R. (Eds), *Dialogues on Psychology and Aging*. Washington, DC: American Psychological Association, 145–72.
Ryan, R. M., Stiller, J. and Lynch, J. H. (1994). 'Representations of relationships to teachers, parents, and friends as predictors of academic motivation and self-esteem'. *Journal of Early Adolescence*, **14**, 226–49.
Ryff, C. D. (1989). 'Happiness is everything, or is it? Explorations on the meaning of psychological well-being'. *Journal of Personality and Social Psychology*, **57**, 1069–81.
Schein, E. H. (1992). *Organizational Culture and Leadership*. San Francisco, CA: Jossey-Bass.
Scherer, K. R., Schorr, A. and Johnstone, T. (2001). *Appraisal Processes in Emotion: Theory, Methods, Research*. New York: Free Press.
Schwarz, N. and Clore, G. L. (1988). 'How do I feel about it? The informative function of affective states'. In Fiedler, K. and Forgas, J. P. (Eds), *Affect, Cognition, and Social Behaviors*. Gottigen: Hogrefe, 44–62.
Schweiger, D. M. and DeNisi, A. S. (1991). 'Communication with employees following a merger: a longitudinal field experiment'. *Academy of Management Journal*, **31**, 110–35.
Seibert, S. E., Silver, S. R. and Randolph, W. A. (2004). 'Taking empowerment to the next level: a multiple-level model of empowerment, performance, and satisfaction'. *Academy of Management Journal*, **47**, 332–49.
Seligman, M. E. (1991). *Learned Optimism*. New York: Knopf.
Seligman, M. E. (1995). *The Optimistic Child*. Boston, MA: Houghton Mifflin Co.
Seo, M., Barrett, L. F. and Bartunek, J. M. (2004). 'The role of affective experience in work motivation'. *Academy of Management Review*, **29**, 423–39.
Sethi, R. and Iqbal, Z. (2008). 'Stage-gate controls, learning failure, and adverse effect on novel new products'. *Journal of Marketing*, **72**, 118–34.

Sethi, R., Smith, D. C. and Park, C. W. (2001). 'Cross-functional product development teams, creativity, and the innovativeness of new consumer products'. *Journal of Marketing Research*, **38**, 73–85.
Shapiro, D. L. and Kirkman, B. L. (1999). 'Employees' reaction to the change to work teams'. *Journal of Organizational Change Management*, **12**, 51–67.
Shapiro, S. L., Astin, J. A., Bishop, S. R. and Cordova, M. (2005). 'Mindfulness-based stress reduction for health care professionals: results from a randomized trial'. *International Journal of Stress Management*, **12**, 164–76.
Sheldon, K. M., Ryan, R. M. and Reis, H. T. (1996). 'What makes for a good day? Competence and autonomy in the day and in the person'. *Personality and Social Psychological Bulletin*, **22**, 1270–9.
Shepherd, D. A. (2003). 'Learning from business failure: propositions about the grief recovery process for the self-employed'. *Academy of Management Review*, **28**, 318–29.
Shepherd, D. A. (2009). 'Grief recovery from family business failure: a multi- and meso-level theory'. *Journal of Business Venturing*, **24**, 81–97.
Shepherd, D. A., Covin, J. and Kuratko, D. (2009). 'Corporate failure from entrepreneurship: managing the grief process. *Journal of Business Venturing*, in press.
Sitkin, S. B. (Ed.) (1992). *Learning through Failure: The Strategy of Small Losses*. Greenwich, CT: JAI Press.
Sminia, H. (2003). 'The failure of the Sport7 TV-channel: controversies in a business network'. *Journal of Management Studies*, **40**, 1621–49.
Spreitzer, G., Sutcliffe, K., Dutton, J., Sonenshein, S. and Grant, A. M. (2005). 'A socially embedded model of thriving at work'. *Organization Science*, **16**, 537–49.
Staw, B. M., Sandelands, L. E. and Dutton, J. E. (1981). 'Threat-rigidity effects in organizational behavior: a multilevel analysis'. *Administrative Science Quarterly*, **26**, 501–24.
Steele, C. M. (1988). 'The psychology of self-affirmation: sustaining the integrity of the self'. *Advances in Experimental Psychology*, **21**, 261–302.
Stroebe, M. S. and Schut, H. (1999). 'The dual process of coping with bereavement: rationale and description'. *Death Studies*, **23**, 197–224.
Struthers, C. W., Eaton, J., Ratajczak, A. and Perunovic, M. (2004). 'Social conduct toward organizations'. *Basic & Applied Social Psychology*, **26**, 277–88.
Sutcliffe, K. M. and Vogus, T. J. (2003). 'Organizing for resilience'. In Cameron, K. S., Dutton, J. E. and Quinn, R. E. (Eds), *Positive Organizational Scholarship: Foundations of a New Discipline*. San Francisco, CA: Berrett-Koehler, 94–110.
Sutton, R. I. and D'Aunno, T. (1989). 'Decreasing organizational size: untangling the effects of money and people'. *Academy of Management Review*, **14**, 194–212.
Tajfel, H. and Turner, J. C. (1979). 'An integrative theory of intergroup conflict'. In Austin, W. and Worchel, S. (Eds), *The Social Psychology of Intergroup Relations*. Pacific Grove, CA: Brooks/Cole, 33–48.
Tajfel, H. and Turner, J. C. (1986). 'The social identity theory of intergroup behavior'. In Worchel, S. and Austin, W. (Eds), *Psychology of intergroup relations*, 2nd edition. Chicago, IL: Nelson-Hall, 7–24.
Teasdale, J. D., Segal, Z. V., Williams, J. M., Ridgeway, V. A., Soulsby, J. M. and Lau, M. A. (2000). 'Prevention of relapse-recurrence in major depression by mindfulness-based cognitive therapy'. *Journal of Consulting and Clinical Psychology*, **68**, 615–23.
Thibaut, J. W. and Walker, L. (1975). *Procedural Justice: A Psychological Analysis*. Hillsdale, NJ: Lawrence Erlbaum.
Thompson, C. A. and Prottas, D. J. (2006). 'Relationships among organizational family support, job autonomy, perceived control, and employee well-being'. *Journal of Occupational Health Psychology*, **11**, 100–18.
Tjosvold, D., Johnson, D. W., Johnson, R. T. and Sun, H. (2003). 'Can interpersonal competition be constructive within organizations?'. *Journal of Psychology*, **137**, 63–84.
Tugade, M. M. and Fredrickson, B. L. (2004). 'Resilient individuals use positive emotions to bounce back from negative emotional experiences'. *Journal of Personality and Social Psychology*, **86**, 320–33.
Ufuk, H. and Özgen, O. (2001). 'Interaction between the business and family lives of women entrepreneurs in Turkey'. *Journal of Business Ethics*, **31**, 95–106.
Vallerand, R. J. and Reid, G. (1984). 'On the causal effects of perceived competence on intrinsic motivation: a test of cognitive evaluation theory'. *Journal of Sport Psychology*, **6**, 94–102.
Vince, R. and Broussine, M. (1996). 'Paradox, defense and attachment: accessing and working with emotions and relations underlying organizational change'. *Organization Studies*, **17**, 1–21.
Vlachopoulos, S. P. and Michailidou, S. (2006). 'Development and initial validation of a measure of autonomy, competence, and relatedness in exercise: the basic psychological needs in exercise scale'. *Measurement in Physical Education and Exercise Science*, **10**, 179–201.

Weick, K. E. (1979). 'Cognitive processes in organization'. *Research in Organizational Behavior*, **1**, 41–74.
Weiss, H. M. and Cropanzano, R. (1996). 'Affective events theory: a theoretical discussion of the structure, causes and consequences of affective experiences at work'. *Research in Organizational Behavior*, **18**, 1–73.
Wells, A. and Matthews, G. (1994). *Attention and Emotion: A Clinical Perspective*. Hove: Lawrence Erlbaum Associates.
White, S. (2005). 'Cooperation costs, governance choice and alliance evolution'. *Journal of Management Studies*, **42**, 1383–412.
Wispe, L. (1991). *The Psychology of Sympathy*. New York: Plenum.
Wright, T. A. and Cropanzano, R. (1998). 'Emotional exhaustion as a predictor of job performance and voluntary turnover'. *Journal of Applied Psychology*, **83**, 486–93.