When People Think It Is Okay to Cheat

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Behavioral Economist Dr. Daniel Ariely, Duke University
• Author of Predictably Irrational
• Studied cheating in the aftermath of the recent financial crisis
• Interesting conclusions about when people think it is okay to cheat…

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• Conclusion #1
  – People are more likely to cheat if they are a step removed from the cash pay-off.
  – Experiment:
    • Payment to individuals for correct answers on a self-scored math test - Those who were paid in tokens redeemed across the room were more likely to cheat that those that were paid in cash.
  – Study:
    • Managers pad their expense reports when their assistant's compile the report vs when the Manager prepares the report.

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• Conclusion #2
  – Once a person takes the first step in cheating, it becomes a slippery slope in the future.
    • Individuals who buys a counterfeit item (e.g., sunglasses, luxury bag, etc.) begin to “feel different” and are more likely to cheat on other unrelated matters.
    • It becomes easier to do the next dishonest thing.

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• Conclusion # 3
  – Deterrence can be a simple matter of reminding people of their better selves.
    • Asking individuals to recall key provisions of a cannon of ethics or some other binding moral code;
    • Asking individuals to sign a certification prior to engaging in the activity results in less cheating (e.g, insurance applications, tax forms, etc.)

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Discussion

Questions

Conclusions