

When People Think It Is Okay to Cheat

Arthur Schwartz

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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 than 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 buy 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 canon 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