

Consequential Reflection – Unpacking Unethical Behavior

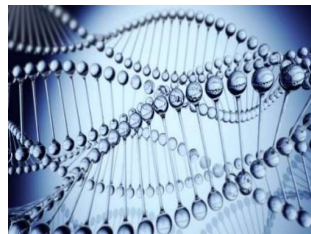
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Unethical Behavior in Organizations

Behavior that is either illegal or morally unacceptable to the larger community
(Jones, 1991)



More than 2,000 cases with estimated direct costs of \$7 BN
(Association of Certified Fraud Examiners 2018 Report)



Actual Behavior

CONFLICTS OF INTEREST

Self-interest influences decisions in an automatic and unconscious manner and can override professional obligations

(Moore & Loewenstein, 2004; Moore et al., 2006; Moore et al., 2010)

MALLEABLE ETHICS

Exposure to unethical behavior of others

(Gino, Ayal & Ariely, 2009)

Cheating also benefits others/in-groups

(Gino, Ayal & Ariely, 2013; Thau et al, 2014)

Medium helps justify unethical behavior

(Mazar, Amir & Ariely, 2008)

EGOCENTRIC VIEWS & BOUNDED ETHICALITY

Biased self-views obstruct our ability to recognize own conflicts of interest

(Chugh et al., 2005)

Outcomes that coincide with our self-interest interpreted as morally justifiable

(Epley & Caruso, 2004)

Judgment of Others

AUTOMATIC & BIASED JUDGMENT

Automaticity prevails in moral judgment

(Haidt, 2001; Greene, 2014)

Judgment changes when :

Outcome by chance positive / Victims unidentifiable

(Gino, Shu & Bazerman, 2010)

Consequences are suffered vs. expected *(Caruso, Gilbert & Wilson, 2008)*

“Dirty job” done through an intermediary

(Paharia, Cassam, Greene & Bazerman, 2009)

BIASED VIEWS

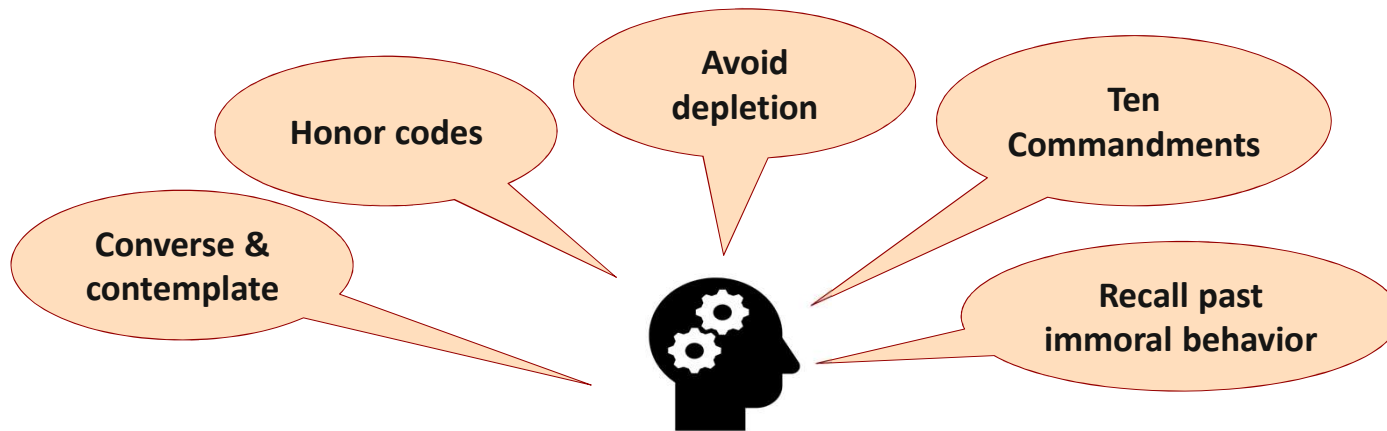
**We are better decision-makers,
more intelligent, cooperative, fair, moral..**

*(Messick et al., 1985; Babcock & Loewenstein, 1997;
Kruger & Gilovich, 2004; Epley & Dunning, 2000)*

**Others are driven by self-interest and
money and when incentivized they cheat**

(Miller & Ratner, 1998; Tenbrunsel, 1998)

Remedy – Consequential Reflection



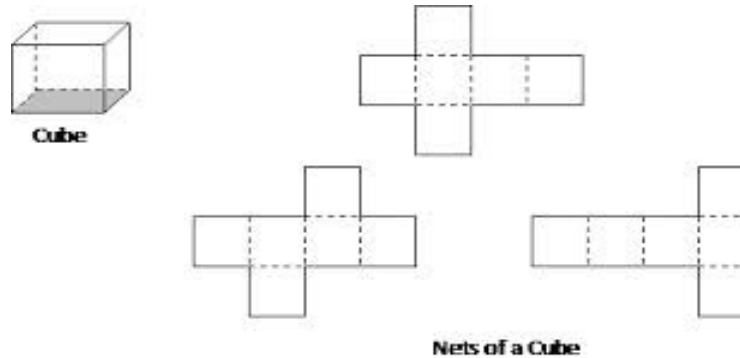
Gunia et al., 2012; Jordan et al., 2011; Mazar et al., 2008; Mead et al., 2009; Shu et al., 2011

Need for Designing Interventions *(Moore & Gino 2013; 2015)*
From Automaticity to Reflective Reasoning *(Bazerman & Sezer, 2016)*

CONSEQUENTIAL REFLECTION
Reflect on unpacked consequences (both positive and negative)

Support Theory – Unpacking Effect

Unpacking the implicit – Support Theory
Probability assigned to events depends on degree of explicitness of their descriptions
(Rottenstreich & Tversky, 1997; Tversky & Koehler, 1994)



Evaluative judgments
(Van Boven & Epley, 2003)

Planning fallacy
(Kruger & Evans, 2004)

Overconfident forecasting
(Jain, Mukherjee, Bearden, & Gaba, 2013)

Overclaiming group effort
(Savitsky, Van Boven, Epley, & Wight, 2005)

Consequential Reflection – Unpacking Unethical Behavior

Consequential reflection, by unpacking unethical behavior into its related consequences, results in:

Less willingness to indulge in unethical behavior

(prescribed unpacking – Study 1)

(self-generated unpacking – Study 2 & Study 3)

Harsher judgment and intention to punish others' unethical behavior

(Study 4)

Mechanism – preliminary indication: Increased chance of negative vis-à-vis positive consequences materializing

(Study 3)

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¡Gracias por su atención!

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Q&A