

Liar, liar, pants on fire! Groups lie more than individuals, according to new research

September 6 2017



Credit: Institute for Operations Research and the Management Sciences

Do you pride yourself on being an honest person? Even individuals who have a proven track record of honest behavior are no match for the potentially negative influences present in a group dynamic, especially when money is at stake, according to a new study, published in the INFORMS journal *Management Science*.

When organizations are exposed for large-scale deceptive or corrupt [behavior](#), often it is not the actions of one or two employees, but a coordinated effort of many individuals, to include upper level

management. Prominent examples include the bankruptcies of WorldCom and Enron, and even more recently, the alleged issuance of faulty emissions certificates by German car manufacturer Volkswagen. The study, "I lie? We lie! Why? Experimental Evidence on a Dishonesty Shift in Groups," explored what motivates a group of people, especially those who previously behaved honestly, to work together to deceive.

The study authors, Martin G. Kocher, Simeon Schudy and Lisa Spantig, all of the Ludwig-Maximilians-University of Munich, studied 273 participants in both individual and group situations. Participants, who were paid for their role in the study, were shown video of dice rolls and asked to report the number shown on the die. The higher the reported die roll, the larger the monetary compensation. Participants were evaluated on an individual basis, and in two group settings: one in which all members of the group must report the same die roll to receive a payoff, and another in which members do not have to report the same die roll to receive a payoff. In the group settings, members are able to communicate with each other via a chat feature.

"We observed that groups lie significantly more than individuals when group members face mutual financial gain and have to coordinate an action in order to realize that financial gain," said Kocher.

Of the 78 groups that participated in the study, arguments for dishonesty were explicitly mentioned in 51 percent of the group chats. In fact, of the messages that were exchanged among group members, 43.4 percent argued for dishonest reporting, while only 15.6 percent consisted of arguments for honesty. Interestingly, the authors found that the number of individuals in each group who had exhibited dishonest behavior in the individual portion of the study had no real impact on these results, as dishonesty occurred even in groups where all members had previously responded honestly.

"The ability for [group members](#) to exchange and discuss potential justifications for their dishonest behavior can create an overall shift in the [group](#)'s beliefs of what constitutes moral behavior," said Spantig. "This allows them to establish a new norm regarding what does or does not constitute [dishonest behavior](#)," according to Schudy.

More information: Martin G. Kocher et al. I Lie? We Lie! Why? Experimental Evidence on a Dishonesty Shift in Groups, *Management Science* (2017). [DOI: 10.1287/mnsc.2017.2800](https://doi.org/10.1287/mnsc.2017.2800)

Provided by Institute for Operations Research and the Management Sciences

Citation: Liar, liar, pants on fire! Groups lie more than individuals, according to new research (2017, September 6) retrieved 25 April 2024 from <https://phys.org/news/2017-09-liar-pants-groups-individuals.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.
