

2013 Russell Ackoff Doctoral Student Fellowship Proposal

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1. Project title and descriptive summary:

When deception breeds trust: prosocial lying increases trust

Trust is essential in organizations and interpersonal relationships (e.g. Blau, 1964; Golembiewski & McConkie, 1975). Trust influences leadership effectiveness (Atwater, 1988; Bazerman, 1994), negotiations (Valley, Moag, & Bazerman, 1998), and is critical for managing risk (e.g. Sheppard & Sherman, 1998). Consistent with prior research, we define trust as, “a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another” (Rousseau, Sitkin, Burt, & Camerer, 1998: 395). Although prior research conceptualizes lying as a violation of trust, the present research documents circumstances in which lying increases trust. Specifically, we investigate when and why prosocial lies, or *lies that cause some benefit to others*, increase interpersonal trust.

This course of research contributes to our understanding of the antecedents of trust and the consequences of deception. We break new ground by identifying a context in which deception helps, rather than hurts, trust. Our findings may explain when and why trust breaks down, despite efforts to maintain integrity. This work offers prescriptive advice to individuals on how to foster trust.

Trust is largely influenced by trustee attributes, such as ability, integrity, and benevolence (e.g., Butler, 1991; Mayer et al., 1995). Integrity is defined as the reputation for honesty and truthfulness (Butler & Cantrell, 1984). By this definition, deception and dishonesty are necessarily incongruous with trust. Indeed, prior research suggests that deception is theoretically, philosophically, and empirically at odds with interpersonal trust. For example, philosopher Sir Francis Bacon argued that dishonesty deprives, “people of two of the most principal instruments for interpersonal action—trust and belief” (from “On Truth”, cited in Tyler & Feldman, 2006). Empirical studies have also found that lying triggers negative emotional reactions (Planalp & Honeycutt, 1985) and negative impressions of liars (Knapp, 1984), weakens trust and the quality of interpersonal relationships (Bok, 1978, Ford et al., 1988; Lewis & Saarni, 1993; Tyler & Feldman, 2006), and undermines trust recovery (Schweitzer, Hershey, & Bradlow, 2006).

Benevolence, on the other hand, is thought to increase trust. Benevolence is defined as the willingness to protect, support, and encourage others (Butler & Cantrell, 1984), and is often at odds with honesty. We examine a particular case in which integrity and benevolence are in conflict: the prosocial lie. Prosocial lying is a common feature of everyday communication. For example, a husband may tell his wife she looks beautiful when she looks fat or a parent may tell her child that his paper is wonderful, when it is in fact, poorly written. In the present research, we investigate whether these acts help or harm trust.

Prosocial lying is learned during childhood as a form of politeness (Talwar, Murphy, & Lee, 2007) and occurs across a variety of adult relationships (Tyler & Feldman, 2004). Prior work finds that people tell lies in roughly 20% of their overall social interactions, in 60% of their encounters with strangers (DePaulo & Bell, 1996; Feldman et al., 2002), and that most of these lies are prosocial. Prosocial lying is most pervasive between college students and their mothers and between romantic partners (DePaulo & Kashy, 1998).

Although prior work has investigated the frequency with which prosocial lies are told, no prior work investigates the downstream consequences of prosocial lies. On one hand, prosocial lying may undermine perceived integrity, and lead to distrust. However, we posit that perceptions of benevolence may actually outweigh the deceptive costs of prosocial lies. We hypothesize that prosocial lies increase trust.

Planned Program of Studies.

Below we provide an overview of the studies run to date and the planned course of research. Although we intend to first document the general relationship between prosocial lies and trust (Studies 1-4), we intend to explore the potential moderating effects of culture in the future (Study 5).

Topic	Description	Status
Study 1: Prosocial lies increase affective trust	Participants read a scenario in which a target either told a prosocial lie or told a hurtful truth. We found that prosocial lies increase affective trust ($p < .01$), are perceived as deceptive ($p < .01$), and have no effect on cognitive trust.	Completed (MTurk, N=300)
Study 2: Prosocial lies increase trust in a trust game	In this study, participants will observe a counterpart's behavior in a deception game in which the counterpart had the opportunity to tell a prosocial lie (Erat & Gneezy, 2012). The participant will then play a trust game with the counterpart. We have piloted this study and found that participants who tell prosocial lies are more likely to be passed money in a trust game ($p < .01$)	Running March 14 (WBL)
Study 3: The effect of prosocial lies on trust is mediated by perceived benevolence	In a future study, we plan to demonstrate that the effect of prosocial lying on trust is mediated by perceived benevolence. In this study, we plan to use video scenarios or confederates to manipulate prosocial lying.	To run: summer 2013
Study 4: The effect of prosocial lies on trust is moderated by prosocial vs. self-interested motives	In a future study, we plan to demonstrate that the effect of prosocial lying on trust is moderated by perceived motives. Specifically, we hypothesize that when "prosocial" lying is perceived as self-interested (i.e. to improve one's image or avoid conflict), our effect will be attenuated. In this study, we plan to use video scenarios or confederates to manipulate prosocial lying.	To run: summer 2013
Study 5: The moderating effects of culture	We also intend to extend the current research by testing if our effects are moderated by culture. The relationship between prosocial lying and trust may depend on cultural preferences for honesty versus kindness as well as politeness norms. Therefore, we expect prosocial lies to foster more trust in cultures in which flattery and kindness is valued (e.g. in China or Japan; Ma, Xu, Heyman, & Lee, 2011; Matsumoto, 1989), but to harm trust in cultures in which honesty and candidness is valued (e.g. in Germany or Israel; Herbert & Straight, 1989; Katriel, 1986). This research offers advice on fostering trust in cross-cultural relationships.	To run: 2013-2014

2. Name of project advisor: Maurice E. Schweitzer

3. Budget

As outlined in the table below, the financial support of \$4000 that I am seeking will be used for two purposes: to fund data collection both at Penn and with international samples, and to share the results of my research at two conferences.

I anticipate that this research will be of interest to the management and psychology audiences, and I hope to present my results at two relevant conferences: Society of Judgment and Decision Making (Toronto, November 2013), and the International Association of Conflict Management (Netherlands, Summer 2014). The budget outlined below reflects estimated costs of lodging (at conference room rates) and travel to and from the conferences.

Expense category	Explanation of Expense
Research support	<ul style="list-style-type: none">• \$2400<ul style="list-style-type: none">○ \$200 –Hiring actors:<ul style="list-style-type: none">▪ \$20/hr for 10 hours (2 actors, used to create video stimuli for Study 3 or 4)○ \$1050 – Research assistant payment:<ul style="list-style-type: none">▪ \$15/hr for 70 hours (40 hours as confederates in Study 3 or 4, 20 hours coding, 10 hours distributing surveys in 30th St. Station)○ \$1150 - Subject payment<ul style="list-style-type: none">▪ Pilot tests - MTurk: ~\$100 (15% * \$2.50 avg. payment * 300 subjects)▪ Main studies – Lab and panel participants:<ul style="list-style-type: none">• Local samples: \$600 (15% * \$10 avg. payment *400)• Foreign samples: \$450 (15% * \$15 avg. payment *200)
Conference travel	<ul style="list-style-type: none">• \$600 (Society of Judgment and Decision Making; Toronto; November 2013)• \$1000 (International Association of Conflict Management; Netherlands; Summer 2014)
TOTAL	\$4000

4. Other sources of funding from OPIM department

This study is not being supported by any other grants. The OPIM Department provides \$800 annually toward doctoral student travel, but that money has already been allocated to attending on one other conference (International Association of Conflict Management, summer 2013, Tacoma, WA).

5. Project Advisor Signature



6. Use of 2012 Ackoff Funds

I was awarded \$2000 for my proposal, "Thinking and doing: Why we procrastinate on thinking tasks" in 2013. Below I report how the funds were used as well as the outcome of this proposal.

a) How the funds were used:

I used the funds for the requested activities: attendance at two conferences (AoM and SJDM) and running studies. Below are the expenses charged (as of 2.27.2013):

- 8/4/2012 Academy of Management: \$383.85
 - 11/17/2012 Society of Judgment and Decision-Making \$680.79
 - 6/2012-1/2013: MTurk Studies: \$190.40
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- Total Spent: \$1256.04

b) The outcome of the 2012 funded research (e.g., papers completed, presentations at conferences) and its current status:

After running several scenario studies, we are no longer pursuing the proposed project. Although our initial study was successful (we did find that people reported procrastinating more on thinking tasks), we were not able to consistently replicate this result.

Although the proposed project has not come to fruition, I have been able to generate new ideas and pursue new projects. Because of the Risk Center's generous support, I was able to travel to two conferences this year, which was critical in generating new 2 new project ideas, which are now working papers, listed below. I will thank the support of the Risk Center in these manuscripts when they are submitted.

Levine, E. E., Schweitzer, M. (working paper) The affective and interpersonal consequences of obesity.

*Barasch, A., ***Levine, E.E.,** Berman, J.Z., Small, D.A. (working paper) Selfish or selfless? On the signal value of emotion in altruistic behavior.

**denotes equal authorship*

If you have any questions, or if there is any further information I can provide, please do not hesitate to call or email me. I greatly appreciate any support the Ackoff Fellowship can provide. Thank you for your consideration.

Sincerely,
Emma Edelman

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