



The Impact of Personal Benefit on the Economic Value of Moral Judgment

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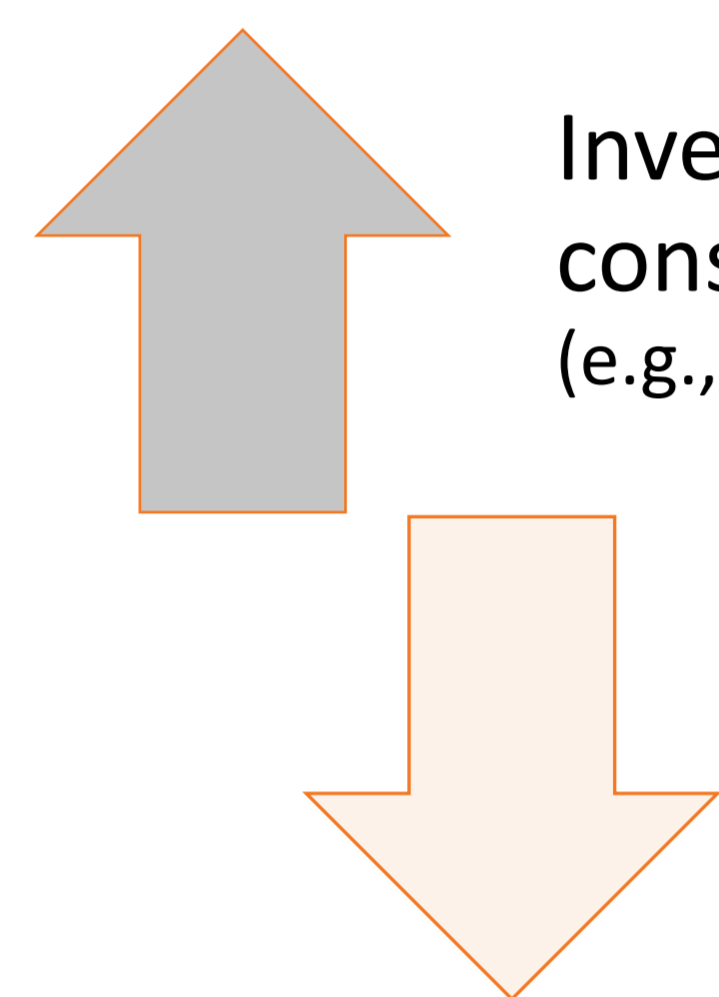
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OBJECTIVE

This research examines people's moral judgment and willingness to punish actors for unethical actions when they receive some benefit from these actions. Participants evaluated other participants' dishonest reports of die-roll outcomes. We varied the implications of the die-roll outcomes for the participant who reported them and for those who evaluated the reports, and whether the reporter was aware of the implications of these actions for others.

INTRODUCTION

Academic literature is a division regarding the response of investors to an unethical behavior of a firms:



Investors of firms often ignore ethical aspects and moral considerations of firms' behavior. (e.g., Desai, 2011; Teuk, 2004; Ellen, Webb & Mohr, 2006)

There is a negative response from investors to misconduct by a firm. (e.g. Zahra, Priem & Rasheed, 2005; Balsam, Bartov & Marquardt, 2002; Xie, 2001)

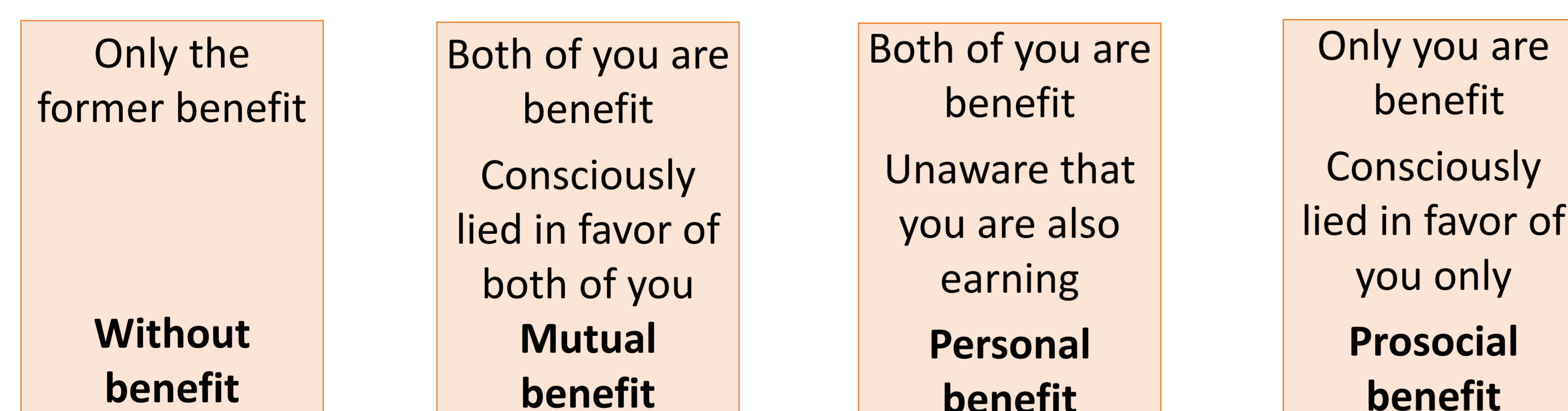
Investors are concerned about the driving motives behind firm's activities (Ellen, Webb & Mohr, 2006; Gilbert & Malone, 1995).

We try to resolve the contradiction and examine whether personal benefit and the motive behind the immoral act affect moral judgment.

METHOD

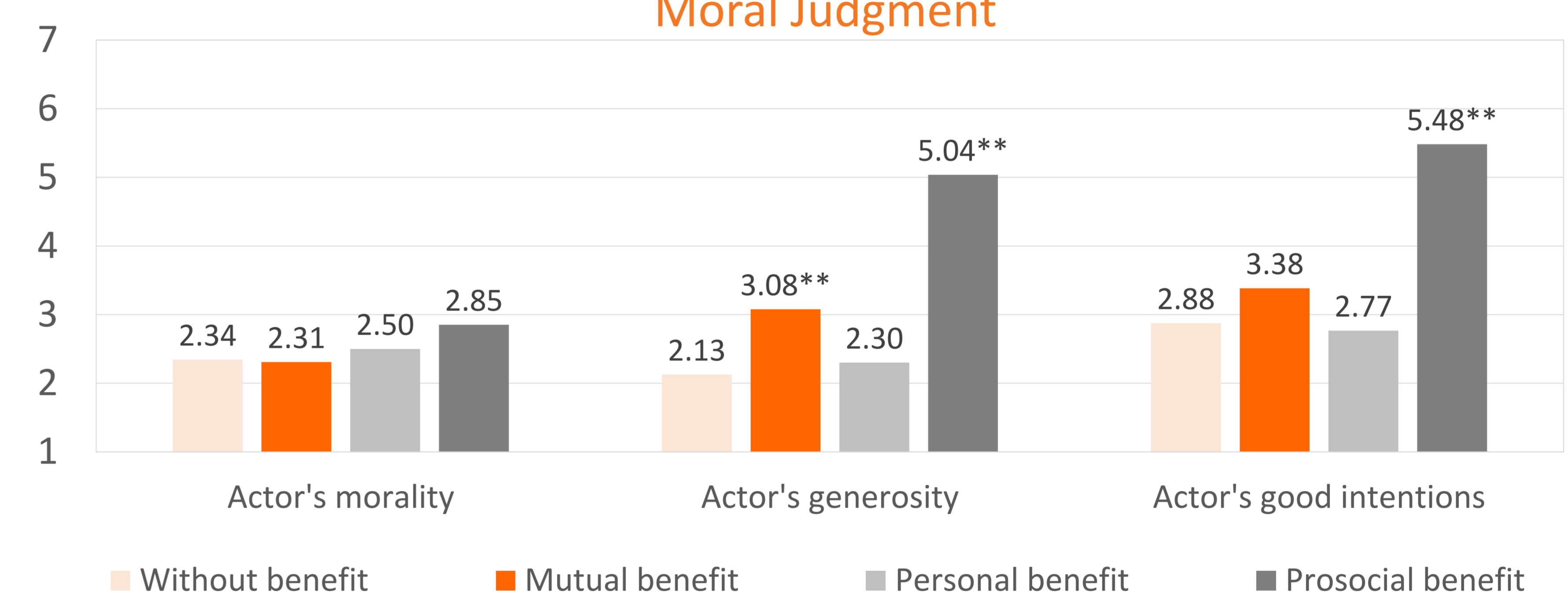
- 115 undergraduate management students.
- participants were told that in the previous round of the experiment another anonymous participant was asked to roll a computerized virtual cube and report the result that would determine the monetary payment at the end of the experiment. The previous participant lied in his report.
- 4-group between-subjects design:

Student from the previous round gave a false report ("5" instead of "2")



RESULTS

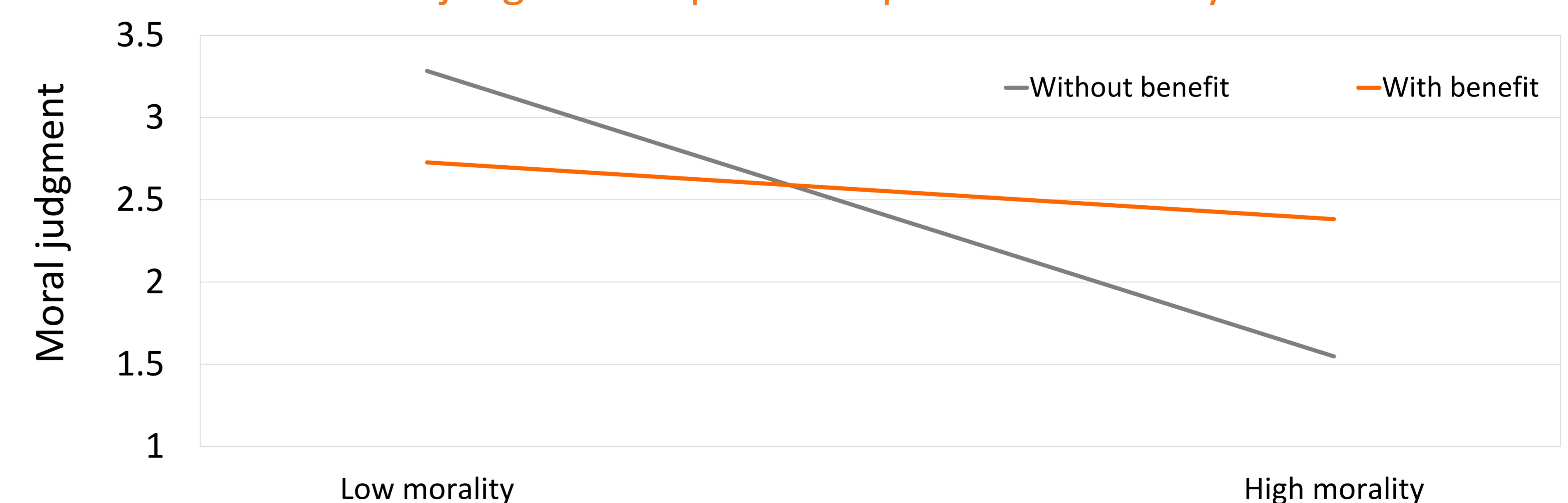
Moral Judgment



Economic Punishment



Moral judgment depends on personal morality and benefit



CONCLUSION

- When people benefit from someone else's inappropriate behavior, they judge it theoretically more favorably (especially when the benefit is prosocial), but not necessarily as more moral.
- In terms of actual behavior, people were less inclined to punish a person who behaved immoral when they themselves were rewarded with the lie.
- The degree of personal morality moderates this relationship.