

Noticing More: Does Mindfulness Help Individuals Notice Ethical Red Flags?

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[Zoom Link: https://bostonu.zoom.us/j/91278893600?pwd=SFRxUG0zTCt2ekNQYWVMJmJhA4TWpxdz09](https://bostonu.zoom.us/j/91278893600?pwd=SFRxUG0zTCt2ekNQYWVMJmJhA4TWpxdz09)

Introduction

Why do “good” people fail to notice and act on ethical red flags? Research has shown that a **lack of moral awareness** may lead individuals to accidentally make an unethical choice (Rest, 1986; Reynolds, 2006; Tenbrunsel and Smith-Crowe, 2009).

Interventions that help increase moral awareness may thus help individuals behave more ethically. We propose that **mindfulness**, defined as **receptive attention to and awareness of present events and experience** (Brown & Ryan, 2003) may help individuals to focus their attention on moral aspects of the situation.

We develop and test a model where **moral awareness is a function of attention** and show that mindfulness leads to greater moral awareness and greater noticing of fraudulent behavior.

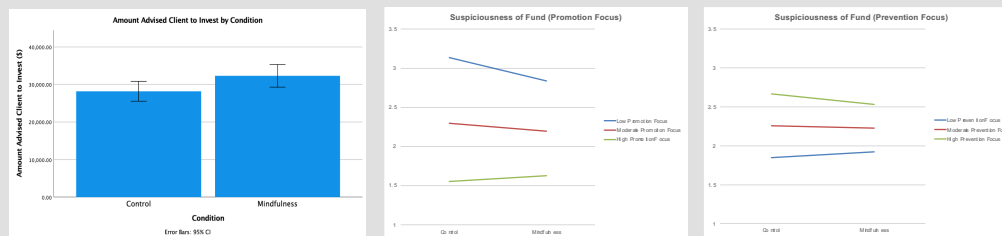
This research aims to show mindfulness may **improve ethical decision making through heightened awareness**. Practically, mindfulness may serve as a **simple and cost-effective intervention** that supports the earlier detection and subsequent prevention of unethical behavior at work.

Study 1

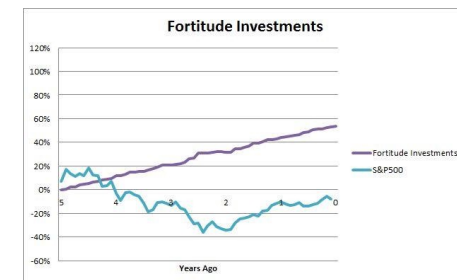
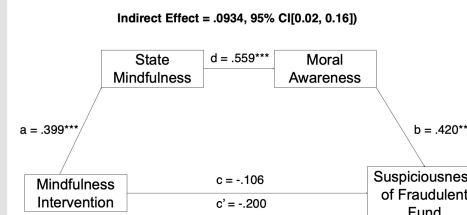
- Prolific participants (n = 185) were asked to play the part of a financial advisor. The fund in question seemed extremely profitable on the surface, and we included information that pointed to the potentially fraudulent nature of the fund.
- Participants either received a 10min mindfulness or mind-wandering (control) induction
- Financial literacy was similar in mindfulness (M=3.49, SD=.77) and control group (M=3.52 SD=.74); $t(185)=0.24, p= .8106$.
- There was a **significant indirect effect** of the **mindfulness manipulation through state mindfulness and moral awareness** on whether participants recommended investing in the fund ($\beta= -.03, 95\% \text{ CI}[-.05, -.01]$), on the amounts people recommended to invest ($\beta= -\$1,140, 95\% \text{ CI}[-\$1,940, -\$340]$) and on participants’ suspiciousness of the fund ($\beta= .09, 95\% \text{ CI}[0.02, 0.16]$).

Study 2

- We aimed to replicate results from Study 1 and explore moderators of the relationship between mindfulness and our DVs (recommend client to invest, investment amount, suspiciousness of fund). We were particularly interested in the effects of **regulatory focus**.
- Cloud Research participants (n = 200) took part in the same task as in Study 1. However, our results were in the opposite direction from Study 1. Participants in the Mindfulness condition recommended investing significantly more in the fund. No significant effect for choice to invest (Y/N) and suspiciousness of the fund.
- When individuals had a high task promotion focus, mindfulness increased suspicion, likewise for low promotion focus, which goes against what we hypothesized



Model from Study 1



Adapted from Zhang et al. (2015)

Additional Information about fund:

- Fortitude uses SA & Associates, CPA for their auditing purposes. SA & Associates was established 15 years ago. The chief auditor was formerly a VP at Fortitude Investments.
- Because our investment strategy is private, we cannot disclose any information at this time.

Discussion

- Our research points to initial evidence that mindfulness may play a role in influencing moral awareness. It may be possible that mindfulness interventions act as a “spotlight” that helps individuals focus on goal-relevant information
- Next Steps: 2 (Intervention: Mindfulness vs Control) x 2 (Client Intentions: Max Profitability vs Ensure Safe Investment) study