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Behavioral field evidence on psychological and social factors in dishonesty and misconduct

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We review recent behavioral field evidence on dishonesty and other unethical behaviors from psychology and related fields. We specifically focus on individual-level studies that use explicitly behavioral data in natural settings, covering research topics relevant to psychology from across disciplines. Our review shows both the paucity and potential of behavioral field evidence on the psychology of dishonesty — although such research can provide actionable and realistic conclusions, it presents a host of practical and identification-related challenges that have limited its use. We explain the major methodological approaches, and discuss the multiple identification challenges for researchers using archival and other non-experimental data.

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Laboratory research on dishonesty and other unethical and illicit behaviors has proven invaluable in helping to understand the behavioral underpinnings of misconduct. Similarly, survey-based studies have provided a wealth of data and insights on self-reported dishonesty as well as its motivations, mechanisms, and prevalence. Yet an emerging stream of research is using behavior data from field experiments, direct observation, and archival sources to address concerns about the generalizability of often low-stakes laboratory studies and potentially biased self-reported data. This review details the current state of this emerging literature in psychology and related fields, and provides guidelines for future research. We focus specifically on studies that use individual-level behavioral data from 'natural' settings — those where people engage in their typical work or personal activities. Related reviews on organizational-level misconduct [1] and broader literatures in business and behavioral ethics [2,3] are also valuable reading.

Existing behavioral field research on dishonesty

We first review the existing behavioral field research on topics of interest to psychologists and behavioral scientists.

Social processes

One of the most promising and important topics on dishonesty is how social processes influence behavior, with a growing body of work using behavioral field evidence to explore it. Bucciol *et al.* [4] used direct observation and interviews to identify how bus passengers traveling with family members were more likely to have a valid ticket, but not those traveling with friends. Similarly, a field experiment on customers keeping excessive change in Israeli restaurants found almost no improved honesty from groups, with the higher average honesty of women exerting little pressure on their male dining companions [5•]. These results suggest that social pressure may selectively increase honesty, but that the specific social dynamics are crucial. Two recent studies of performance enhancing drugs in baseball [6] and cycling [7] show that social and professional interactions are crucial in disseminating both knowledge and acceptance of illicit drug usage. These follow an important early study of social processes in sports cheating, where Duggan and Levitt [8•] showed that sumo wrestlers reciprocally throw matches to aid one another in achieving a minimum win count. It is also consistent with recent work using communication data to examine information transmission among networks of dishonest parties [9,10]. This is consistent with a field experiment by Wenzel [11•] that found information on others' behavior improved tax compliance, as well as results showing employees become more dishonest when joining dishonest firms [12].

Fairness, equity, and social comparison

Social comparison and related fairness and equity concerns are also a focus of recent work. Early work by Greenberg [13••] was one of the first to address this topic using behavioral field data, showing increased theft following a pay decrease at two out of three factories. A related study [14] also showed higher theft when the employer, not coworkers, was the likely victim. A notable recent study by Edelman and Larkin [15••] found social comparison as a motivation among faculty fraudulently downloading their own papers on SSRN. Related to social comparison is a small set of field studies on socio-economic class and dishonesty. Although Gino and Pierce [16••] found evidence of dishonest helping within

socioeconomic class in mechanics, Balafoutas *et al.* [17•] find no differences in fraud by taxi drivers across customer income levels. Related work [18] examines the socioeconomic class of aggressive drivers, although mechanisms linking dishonesty with personal wealth are difficult to separate.

Moral reminders and preferences

Multiple large-scale field experiments have focused on testing the efficacy of moral reminders previously established in laboratory studies. Studies of individual taxpayers [19] and newspaper buyers [20•] found that the inclusion of a moral reminder increased honesty in disclosures and payments. In contrast, a field experiment by Fellner *et al.* [21•] found that Austrians only improved their honesty in paying TV licensing fees when mailed threats of enforcement, not when sent moral appeals. These build on an earlier important study of bagel customers by Levitt [22], who found that payments under the honor system were largely a function of internal moral preferences. Furthermore, he found that the September 11 terrorist attack significantly increased honesty in payments, suggesting the power of moral reminders. Related to this, Shu *et al.* [23••] used a field experiment to show that insurance customers who signed at the top of forms reported higher annual mileage than those who signed at the bottom, presumably because signing provided a moral reminder.

Culture

Several recent studies have also found the influence of ethnic or national culture and identity on dishonest behavior. A foundational study in economics correlated national corruption measures with the unpaid parking tickets of diplomats [24••]. Other papers focused on how interactions within and across ethnic and national groups can change levels of dishonesty, including favoritism in Olympic judging [25], ethnic diversity and corruption in Indonesia [26], and stock market fraud in Kenya [27••]. One approach by Bianchi and Mohliver [28] links economic conditions during executives' formative periods to stock option backdating.

Professionalism

One growing area of interest is how the professional identity and pro-social motivation of an expert can clash with her career and financial incentives. Although dishonesty in certain professions might be expected (e.g., auto mechanics) [29], for others the public's trust in expert honesty is crucial. Medicine provides several examples, such as how liver transplant surgeons' financial and prosocial motivations can lead to dishonest patient reporting [30••]. Similarly, teachers who are expected to instill ethical values in children have been shown to cheat when pressured with strong financial and career incentives [31•].

Incentives and control

One of the largest bodies of behavioral field studies centers on extrinsic motivation from incentives and control — how financial payoffs, monitoring, and penalties can alter dishonest behavior. Although the majority of this work is in economics [32], the work on monitoring has particular implications for psychological theories of dishonesty. Monitoring, for example, has been shown to reduce theft [33•,34•], unexcused absenteeism [35•], and dishonest reporting [36] in organizational settings such as call centers, restaurants, schools, and banks. Similarly, recent field experiments have targeted tax fraud [37,38] and corruption [39•,40] through the explicit manipulation of increased monitoring through audits and transparency. Although economic theory implies the efficacy of monitoring, evidence from a field experiment on factory productivity monitoring [41] suggests that psychological mechanisms may make monitoring counterproductive in reducing dishonesty. Behavioral field research that can test the multiple psychological and economic mechanisms invoked by monitoring is clearly needed.

Methodological approaches: field experiments and archival

Three principal methodological approaches dominate behavioral field research on dishonesty: direct observation, randomized field experiments, and archival data analysis. Direct observation involves actively observing and recording behavior under multiple conditions to infer relationships between dishonesty and environmental conditions or individual differences. This method lacks the randomized manipulation of a field experiment, and observation is typically covert to avoid Hawthorne effects. The broad and random sampling of both honest and dishonest behavior across conditions and differences is important to avoid selection bias. Examples include researchers actively watching and recording problematic behavior such as illegal parking [42], bus fare evasion [4], aggressive driving [18], or bribes paid by truckers in Indonesia [43].

Field experiments typically involve direct observation, but also include random assignment of manipulations to treatment and control groups, as in laboratory experiments. Although highly stylized experiments outside of a laboratory are often considered to be 'field experiments,' those conducted in natural behavioral settings are most valuable for understanding behavior in the field. Such 'natural field experiments' study individuals in plausibly normal daily behavior, rather than in contrived tasks or jobs they would not normally do. Random assignment can occur either as individuals [23••] or groups [20•]; field settings often make individual randomization impossible for practicality reasons or because of the inseparability of organizational or social settings. The strengths of natural field experiments on dishonesty are threefold: they are immediately generalizable to specific social or organizational settings,