# Experimental instructions: Robustness experiment "Reference dependence"

# **Shallow Meritocracy**

# Peter Andre University of Bonn

February 16, 2021

Parts I contains the full experimental instructions of the robustness experiment. Section I.1 to I.5 show the instructions for a respondent in condition Control. Section II provides an overview of the Treatment condition.

## **Contents**

I	Full instructions (condition <i>Control</i> )	1
1	Introduction to study	2
2	Instructions	10
3	Decision	18
4	Part 2	19
5	Short post-experimental questionnaire	20
II	Treatment condition	24

#### Part I

# Full instructions (condition *Control*)

# 1 Introduction to study

#### Welcome

Thank you very much for participating in this study! This study is conducted by researchers from the University of Bonn. Participation in the study typically takes 15 minutes and is anonymous.

In this study, you will make several decisions that have **real consequences for other persons**. You also have the chance to **earn additional money**. Therefore, please read and respond to the survey carefully.

It is very important for the quality of our research that you **answer honestly** and **read the questions very carefully** before answering.

### Participant information and informed consent form

Below, you find the informed consent form of this study. We ask you to confirm that you want to take part in this study.

#### Who is responsible for the study?

Responsible for the execution of the study and therefore for the processing of your data:

Peter Andre Bonn Graduate School of Economics (BGSE) University of Bonn Kaiserstr. 1, 53113 Bonn Germany

#### What are the purposes of the study?

The purpose of this study is to improve our understanding of human behavior in economic contexts. We are interested in natural, unbiased behavior. Hence, no details on the background of this research project is given beforehand, which is in accordance with the standard in experimental economics. All necessary information will be provided in due time.

#### What happens with my data?

All participating employees and scientists work in accordance with the provisions of the Data Protection Regulation, the Federal Data Protection Act and the relevant State Data Protection Acts.

Immediately after the collection, your data will be stored anonymously and, then, will be statistically analysed. No conclusions about your person can be drawn from these results. We work together with other partners, universities and laboratories for this study. These also only receive anonymized data, which do not allow any identification of your person. Even the laboratory or survey institute is no longer in a position to merge the survey data with your name after the execution of the survey.

Your data will be stored on a server within the EU, which is not operated by the University of Bonn. We have taken all necessary precautions with the operator of the server and concluded all contracts which are necessary in order to comply with data protection.

For this study, we collect "special categories of personal data", in particularly data revealing migration background (racial or ethnic origin - term according to Art. 9 GDPR) or political opinions, which we use only for research purposes and solely with your consent.

#### Which rights do I have?

You have the right to obtain information about the personal data stored about you (Art. 15 GDPR). Should incorrect data be processed, you have the right to rectification (Art. 16 GDPR). When the legal requirements are met, you have the right to request the deletion or restriction of the processing and submit an objection against the processing of your data (Art. 17, 18 and 21 GDPR).

You have the right to complain to the competent data protection authorities.

The consent given here can be withdrawn at any time with effect for the future. However, if your data has already been anonymized, it can no longer be associated with you. Therefore we are unable to "remove" your data from the result.

#### **Declaration of Consent**

I hereby consent to the processing of my personal data for the research project PA1901FA for the questions on human behavior in economic contexts.

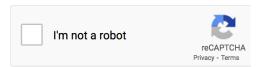
I can withdraw my consent at any time. I have taken note of all information concerning the usage of my data and on my rights in the privacy policy.

I confirm that I am 18 years of age or older and freely participate in the study. I understand that **close attention to the survey is required** for my response to count.

I confirm

I do not confirm

Before you proceed to the HIT, please complete the captcha below.



\_

The next question is about the following problem. In questionnaires like ours, sometimes there are participants who do not carefully read the questions and just quickly click through the survey. This compromises the results of research studies. To show that you are reading the survey carefully, please choose both "Very strongly interested" and "Not at all interested" as your answer to the next question.

Given the above, how interested are you in politics?

Very strongly interested
Very interested
A little bit interested
Not very interested
Not at all interested

Which gender describes you more accurately?				
Male				
Female				
What is your age?				
In which state do you currently reside?				
Please enter your US Postal Code.				

What was your yearly household income in 2020 in US dollars before taxes and deductions?

Note: The household income is the total amount of money earned by every member of your household.

Less than 15,000
Between 15,000 and 25,000
Between 25,000 and 50,000
Between 50,000 and 75,000
Between 75,000 and 100,000
Between 100,000 and 150,000
Between 150,000 and 200,000
More than 200,000

What is the highest level of education you have completed?

12th grade or less
Graduated high school or equivalent
Some college, no degree
Associate degree
Bachelor's degree
Post-graduate degree

# 2 Instructions

#### Part 1

In part 1, we will ask you to make a decision that might have **consequences for a real-life situation**.

Please read the following pages very carefully. A quiz will test your understanding. You can proceed with the study only if you answer all quiz questions correctly.

## The context of your decision

Our institute currently hires adults from the US general public on an online job portal to work on an important task for one of our projects.

#### Task

These workers search for publicly available email addresses of academic economists. In each task, a worker is given the name of one economist, searches for the economist's personal or university webpage, identifies his or her email address and sends it to us.

The task requires no special qualification or ability, but demands concentration and effort. Typically, it takes about 2 minutes to complete one task.

The workers do <u>not</u> choose how many tasks they complete. Instead, **each worker has to complete exactly 10 tasks.** 

←

# The context of your decision

#### **Payment**

The payment of the workers depends on a piece-rate and your decisions in this survey. It is calculated in two steps:

- (1) A worker initially earns a fixed amount for each solved task. We refer to this amount per task as a piece-rate. For example, a worker who has a piece-rate of \$0.20 and earns \$2 for the ten tasks.
- (2) Afterwards, someone else determines the final payments. Workers are informed about this, although they do not know how and why this happens.

This is where you come into play ...

←

#### Your decision

In the last weeks, we hired 50 workers and matched them into 25 pairs. The decisions that you and others make in this study determine their final earnings. We randomly select one study respondent for each pair of workers.

If you are one of the selected respondents, **your decisions determine the final earnings of a pair of workers**. Let us call them *worker A* and *worker B*.

You can redistribute the payments between worker A and worker B. That is, you decide which share of the total payment amount each worker receives.



### The piece-rates

Recall that the piece-rates of the workers determine how much they initially earn for each task.

The piece-rate of each worker was determined randomly by a virtual coin flip. Each worker had a 50% chance to get a piece-rate of \$0.10 and a 50% chance to get a piece-rate of \$0.50. One coin flip determined the rate of worker A, and another coin flip determined the rate of worker B.

Importantly, workers did not know during their work which piece-rate they would get. Only the chances of getting the rates were known. The coin was flipped only after a worker completed and submitted the job. Only then, a worker was informed about his or her definite piece-rate.

In the end, the coin flip determined the following definite rates:

- Worker A had a piece-rate of \$0.50.
- Worker B had a piece-rate of \$0.10.

Thus, they worked for a different rate, but they were informed about their rate only after they completed the job.

←

\_

#### Quiz

#### Which of the following statements are correct?

If you want to read parts of the instructions again, navigate to previous pages using the "back" button at the bottom of this page.

Please select the correct statement.

Each worker could freely decide how many tasks to complete.

Each worker had to complete exactly 10 tasks.

Please select the correct statement.

A coin flip determined the piece-rate of a worker. The piece-rate could have either been \$0.10 or \$0.50 (each with a 50% chance).

The piece-rate of a worker was determined by his/her past performance.

Workers did not know their definite rate when they worked. The coins were flipped only after the work was completed.

Workers knew their definite rate when they worked. The coins were flipped before the work began.

Please select the correct statement.

The coin flips determined that worker A worked for a rate of \$0.50 and worker B worked for a rate of \$0.10.

The coin flips determined that both workers worked for a rate of \$0.50.

Please select the correct statement.

Your decision is hypothetical and does not influence the workers' earnings.

Your decisions can determine the earnings of the workers.

←

Submit responses

# Well done! All responses were correct.

You can now click on the next-button to make your decision.



#### 3 Decision

#### Your decision

#### **Summary**

#### Piece-rates

The workers knew that they could either earn a piece-rate of \$0.50 or \$0.10 (each with a 50% chance). They did not know their piece-rate while they worked. After they completed the job:

- Worker A learned that he/she had a piece-rate of \$0.50.
- Worker B learned that he/she had a piece-rate of \$0.10.

#### **Completed tasks**

- Worker A completed 10 tasks (50% of the work).
- Worker B completed 10 tasks (50% of the work).

The number of tasks was fixed. The workers could not choose how many tasks to complete.

#### **Payment**

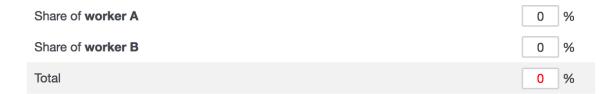
- Worker A earned \$5 (83% of the total payment).
- Worker B earned \$1 (17% of the total payment).

The total payment is \$6.

#### Redistribution

#### Please split the total payment between both workers.

To do so, please specify which share of the total payment each worker gets. The shares need to add up to 100%.



# 4 Part 2

Part 2 contains a short pilot study for another project.

# 5 Short post-experimental questionnaire

# Part 3

Republican

Democratic

Now, the short and final part 3 begins. Please answer the following final questions.					
What is your current employment status?					
Full-time employee					
Part-time employee					
Self-employed or small business owner					
Unemployed and looking for work					
Student					
Not in labor force (for example: retired or full-time parent)					
On economic policy matters, where do you see yourself on the liberal/conservative spectrum?					
Very liberal					
Liberal					
Moderate					
Conservative					
Very conservative					
Do you think of yourself as closer to the Republican or Democratic party?					

20

# How would you describe your ethnicity/race?

White	African American/Black	Hispanic/Latino	Asian/Asian American	American Indian	Other
-------	---------------------------	-----------------	-------------------------	--------------------	-------

## Your feedback

Feel free to leave a comment in case

- some parts of the survey were unclear or confusing
- you experienced a technical issue
- you want to give general feedback on the survey

Any comment is valuable and will improve the research project.						

\_

# Thank you very much for completing the survey

Thank so much for your time and responses.

#### Part II

# **Treatment condition**

### The piece-rates

Recall that the piece-rates of the workers determine how much they initially earn for each task.

The piece-rate of each worker was determined randomly by a virtual coin flip. Each worker had a 50% chance to get a piece-rate of \$0.10 and a 50% chance to get a piece-rate of \$0.50. One coin flip determined the rate of worker A, and another coin flip determined the rate of worker B.

Importantly, workers knew which piece-rate they would get before starting their work. The coin was flipped before the workers started working and workers were informed about the result directly.

The coin flip determined the following definite rates:

- Worker A had a piece-rate of \$0.50.
- Worker B had a piece-rate of \$0.10.

Thus, they worked for a different rate.



#### Your decision

#### **Summary**

#### **Situation**

- Worker A knew that he/she had a piece-rate of \$0.50.
- Worker B knew that he/she had a piece-rate of \$0.10.

#### **Number of tasks**

- Worker A completed 10 tasks (50% of the work).
- Worker B completed 10 tasks (50% of the work).

The number of tasks was fixed. The workers could not choose how many tasks to complete.

#### Consequences

- Worker A earned \$5 (83% of the total payment).
- Worker B earned \$1 (17% of the total payment).

The total payment is \$6.

#### Redistribution

#### Please split the total payment between both workers.

To do so, please specify which share of the total payment each worker gets. The shares need to add up to 100%.

