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| Management: Organizational Behavior |

Working in Team Environments

MobLab Game: Public Good: Punishment and Reward

Key Teaching Points:

* When group output depends on individual efforts, but benefits are shared in common, individuals have an incentive to free ride.
* Individuals in a group can incur a cost to punish or reward other group members.
* Show how incurring these costs results in preserving norms for cooperation.

MobLab Game: Minimum Effort Game

Key Teaching Points:

* Demonstrates that players may fail to coordinate on preferred equilibrium if choosing the associated action exposes players to strategic risk.
* Repeat interaction and communication are likely reduces miscoordination.

MobLab Game: Prisoner's Dilemma

Key Teaching Points:

* Demonstrates the tension between individual maximization and group welfare.
* Repeat interaction and communication can sustain the cooperative equilibrium.

*Additional MobLab Game: Stag Hunt*

Principal-Agent

MobLab Game: Principal-Agent

Key Teaching Points:

* Students learn how the optimal contract offered to the worker depends on the information environment (full information v. asymmetric information).
* Students learn how the magnitude of different contract features (flat-fee and bonus) depend on worker outside option and cost of effort.

Equity and Fairness Concerns

MobLab Game: Ultimatum Game

Key Teaching Points:

* Individuals care about fairness in the allocation of assets.
* This is true for both actions of participants. Proposers often offer more than what theory suggests, and responders reject positive offers due to their own perceptions of fairness.

Trust and Reciprocity in Organizations

MobLab Game: Trust Game

Key Teaching Points:

* Investors decide to trust their co-players by investing positive amounts, hoping to see a positive return. Investing leads to better payoffs for both players, but there is no certainty that the investment will be returned.
* Preferences for being trustworthy and reciprocating trust can lead responders to return positive amounts to investors.

Risk and Uncertainty

MobLab Game: Bomb Risk Game

Key Teaching Points:

* Individuals differ in their risk tolerance. Risk preferences displayed in one environment can carry over to other environments.
* Individuals who open fewer than 50 boxes can be said to be risk averse. Those who open more can be said to be risk seeking.

*Additional Risk Preference Surveys: Risk Preferences: Holt Laury and Risk Preferences: Binswanger*

MobLab Survey: Allais Paradox

Key Teaching Points:

* People overweight small probability events and this leads to violation of predictions from Expected Utility Theory.

MobLab Survey: Ambiguity Aversion

Key Teaching Points:

* Show that individuals exhibit a preference for known rather than unknown risks, this has implications for organizational culture and entrepreneurship within firms.

Using Power Ethically

MobLab Game: Dictator Game

Key Teaching Points:

* Dictators have complete control over how to distribute the funds given to them.
* Due to preferences for altruism and perceptions of fairness, dictators often give a positive amount to receivers. If the chat function is used, the allocation tends to be more equitable.

Rationality and Cognitive Biases

MobLab Surveys: Framing Effects, Mental Accounting, Heuristics and Biases

Key Teaching Points:

* Individuals exhibit predictable bias. Illustrate some of these biases and the importance of how decisions and initiatives are framed. Individuals can have cognitive biases in many settings that managers encounter.

*There are a number of pre-built survey-based experiments on heuristics and biases. Also, use our Blank Survey to generate your own survey-based experiments.*