DISSERTATION

Bad Deeds for Good Friends: Maintaining Independence and Objectivity in the Workplace

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Abstract

In this dissertation, I investigate how and when close relationships interfere with obligations to remain objective in the workplace. First, I suggest that breakdowns in objectivity can be explained by a psychological mechanism known as "psychological closeness"—that is, feeling attached and connected to another person or people. I build upon this argument by suggesting that certain individuals are more susceptible to the negative effects of psychological closeness than others. Specifically, I argue that those who define and view themselves in terms of their close relationships—otherwise known as high "relational-interdependent self-construal (RSC)"—are most vulnerable to objectivity failures that help psychologically close others.

I investigated the relationships among RSC, psychological closeness, and failures to remain objective across four experimental studies. In Study 1, I tested whether psychological closeness to another person led to objectivity failures using a laboratory experiment in which interactions between individuals who knew each other well (i.e., were psychologically close) were compared to interactions between individuals who did not know each other well (i.e., were not psychologically close). Results showed that individuals were more likely to commit objectivity failures to help another person when they were high (vs. low) in psychological closeness to that person. As hypothesized, this effect was stronger for individuals high (vs. low) in RSC.

In Study 2, I sought to replicate the findings from Study 1 and build upon its limitations by testing whether experimentally manipulated psychological closeness predicted objectivity failures. Evidence was found for this relationship; however, the results failed to provide support for the moderating role of RSC. Lastly, in Studies 3 and 4, I continued to explore RSC and its relation to the theoretical model in two online experiments. In Study 4, I also tested a potential

solution to the problem of psychological closeness by temporarily reducing levels of RSC. Results from these studies did not reveal significant findings for RSC, suggesting that this personality trait may not be influential in determining how people respond to feelings of psychological closeness. Overall, this dissertation contributes to research in psychology and organizational behavior by offering insights about how close relationships and personality influence decision making in the workplace.

CHAPTER I

Introduction

We establish and cultivate relationships with other people, not only in our personal lives, but also in the workplace. Relationships are critical to our business success in many ways—they determine the job offers we receive, the business opportunities we are presented with, and help us to perform better at our jobs. But developing connections with others can also cause problems. For instance, feeling close to another person may conflict with our ability to remain independent. In this dissertation, I examine how and when close relationships interfere with obligations to remain objective in the workplace. In studying this phenomenon, I seek to better understand what individuals and organizations can do to avoid or mitigate the pitfalls of close relationships.

There are many organizational contexts in which it is important to maintain independence and separation from other people. In hiring or promotion settings, for example, managers have a responsibility to objectively evaluate job candidates. Managers who fail to remain impartial risk missing the best candidates or hiring someone for the wrong reasons, which can hurt the company's competitiveness and culture. It is also necessary for individuals to remain impartial and unbiased in monitoring settings. One well-known form of organizational monitoring is auditing. In auditing, auditors assess the degree to which a client's financial and operational practices comply with national laws and industry guidelines. The basic idea behind using auditors to evaluate companies is that evaluators will be more truthful and free of bias in their reports when they are not personally involved in the companies. If an auditor does become biased toward a client during the monitoring process, it can result in serious negative repercussions, such as significant financial losses for investors.

As these examples demonstrate, severe consequences can occur when individuals become biased toward other people, particularly in settings where it is necessary to remain objective. Thus, it is important to understand when individuals are susceptible to allowing close relationships to guide their decision making. A substantial amount of empirical research in applied industrial fields, such as public accounting and human resources management, has investigated this question (e.g., Beck, Frecka, & Solomon, 1988; Bell, Causholli, & Knechel, 2015; Carcello & Nagy, 2004; Carey & Simnett, 2006; Deis & Giroux, 1992; Johnson, Khurana, & Reynolds, 2002; Kerler & Kilough, 2009; Lodato, Highouse, & Brooks, 2011; Moore, Tetlock, Tanlu, & Bazerman, 2006), however fewer studies have approached this topic from a broader psychological perspective (some exceptions include Gino & Galinsky, 2012 and Waytz, Dungan, & Young, 2013). This dissertation contributes to existing work by adopting a psychological point of view to suggest that breakdowns in objectivity can be explained by a psychological mechanism known as "psychological closeness"—that is, feeling attached and connected to another person or people. Furthermore, this dissertation argues that individuals who chronically view close relationships as central to who they are as a person are most susceptible to the effects of psychological closeness, which has not been studied in prior research.

Goals of this research

The goals of this dissertation are twofold. First, I aim to establish the causal relationship between psychological closeness and failures to remain objective when performing aspects of one's job. Second, I aim to explain when feeling psychologically close to another person will contribute to objectivity failures by suggesting that individuals who define themselves in terms of their close relationships with others—that is, individuals who are high in relational-interdependent self-construal—are most vulnerable to its effects.

I first present an organizing model illustrating the relationships between psychological closeness, relational-interdependent self-construal, and objectivity failures. Next, I review the literatures on these constructs and develop testable propositions based on prior theory. Finally, I investigate these theorized relationships in two laboratory and two online studies.

Theoretical Development

The following model demonstrates the proposed relationships among psychological closeness, relational-interdependent self-construal, and objectivity failures. As illustrated below, psychological closeness to another person is proposed to influence failures to remain objective when performing one's job. Relational-interdependent self-construal (RSC)—that is, the tendency to view close relationships as central to one's self-concept—is proposed to moderate the relationship between psychological closeness and objectivity failures such that the impact of psychological closeness on failures to remain objective is higher for individuals who are high (vs. low) in RSC.

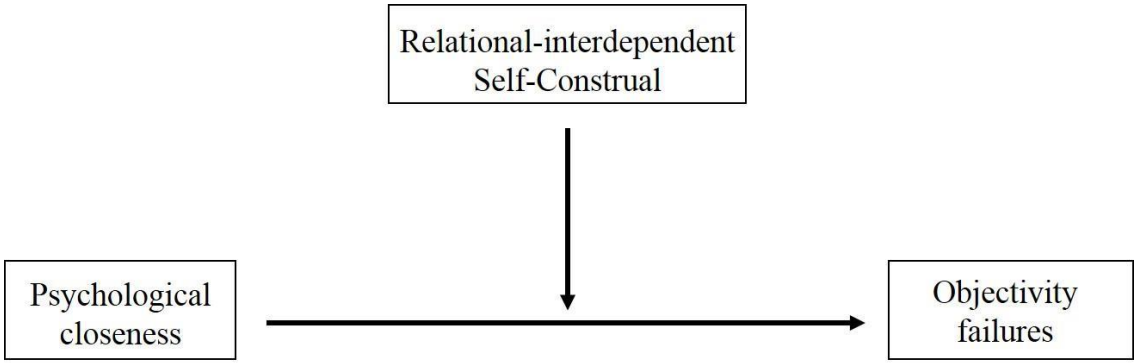

Figure 1. Conceptual model

Part I: Relationship between Psychological Closeness and Objectivity Failures

I hypothesize that people who feel psychologically close to another person are more likely to fail to remain objective when performing aspects of their job relevant to that person compared to people who do not feel psychological close to the individual. There is empirical evidence in the psychological literature that supports this theorized relationship. Before describing this research, I first provide a conceptual definition of psychological closeness.

Defining psychological closeness

Psychological closeness can be defined as "feelings of attachment and perceived connection toward another person or people" (Gino & Galisnky, 2012, p. 16). When people feel psychologically close to another person, they no longer think about themselves as being separate or distinct from that individual. Rather, people view that person as an integral part of their self-concept (Aron & Aron, 1986; Aron, Aron, Tudor, & Nelson, 1991; Goldstein & Cialdini, 2007). An important consequence of expanding one's sense of self to include another is that one takes on the attitudes and behaviors of the other person. In other words, individuals who experience feelings of psychological closeness tend to think, feel, and act in ways consistent with the other person.

For example, Gunia, Sivanathan, & Galinsky (2009) have shown that feeling psychologically close to another person leads individuals to mirror that person's financial decisions. This study found that participants preferred to invest more money in hypothetical organizational programs that were (vs. were not) previously invested in by the psychologically close individual. Interestingly, participants chose to allocate more funding to the program chosen by the other person despite being told that the program had performed worse than the un-chosen program, making it more financially costly to the self. The findings from this study indicate that psychological closeness motivates individuals to support and replicate the behavior of those to

whom they feel connected, even when doing so can lead to bad outcomes for the self (e.g., losing money).

In a similar vein, Gino & Galinsky (2012) explored how having psychological connections to someone who behaves dishonestly influences our own ethical judgments. In this study, unethical behavior was conceptualized as behavior that violates generally accepted societal moral norms, such as cheating. Across four experiments, the researchers found that participants who felt psychologically close to a perpetrator who cheated on a laboratory task were less likely to view cheating as morally wrong and subsequently inflated their own task performance (i.e., cheated) to earn more money for themselves. These findings suggest that individuals who develop psychological connections to someone who behaves dishonestly will be more likely to see that person's wrongful behavior as acceptable, and, as a result, act dishonestly themselves. While the current research agrees with this line of reasoning, I argue that feeling psychologically close to a perpetrator who cheats for self-gain can produce a different form of unethical behavior than cheating for oneself. While I acknowledge that the self is necessarily involved in all ethical decisions, it is not of primary interest in this research. Instead, I suggest that psychological closeness to perpetrator can motivate unethical behavior that benefits that person. For example, psychological closeness may lead individuals to give false evaluations of a dishonest co-worker in order to portray him or her in a positive light.

Previous work on morality and social relationships supports this assertion. Rai and Fiske (2011), for instance, theorize that forming close bonds with another person activates a moral desire to protect and provide for that person at the expense of the well-being of others. In such cases, actions that are generally seen as immoral (e.g., lying, stealing) may be viewed as acceptable and even ethical when they benefit the individual of concern. Janoff-Bulman and

Carnes (2013) similarly suggest that people are strongly motivated to promote another person's interests when their relationship with that person is salient. This is in contrast to when the self is salient, in which case promoting one's own interests is the focus of concern.

Together, this research supports that idea that feeling psychologically connected to another person motivates individuals to act in ways that benefit that person, including behaving unethically. In the current research, I define unethical behavior as behavior that violates widely accepted social and organizational norms, such as lying and cheating (Trevino, Weaver, & Reynolds, 2006), and specifically focus on a serious form of unethical behavior relevant to the workplace—objectivity failures. An objectivity failure occurs when an individual forms judgments and behaves in ways that directly contradict standards of neutrality and fairness**.** Examples of objectivity failures that arise in the workplace include forming prejudiced attitudes about a job candidate, using subjective (vs. objective) methods to assess employee performance, failing to blow the whistle on organizational wrongdoing, and producing biased evaluations of an organization's financial state, among others. Formally, I hypothesize that:

> *Hypothesis 1*: Individuals who feel psychologically close to another person are more likely to commit objectivity failures which benefit that person compared to individuals who do not feel psychologically close to that person.

Part II: The Moderating Role of Relational-Interdependent Self-Construal

Thus far I have built on existing theoretical and empirical research to suggest that forming psychological connections to another individual will lead people to commit objectivity failures favoring that person when performing aspects of their job. However, it is possible that not all individuals who experience feelings of psychological closeness will respond in the same way. Put differently, some individuals may be more susceptible to committing objectivity

failures as a result of psychological closeness than others. This dissertation attempts to delineate when feeling psychologically close to another person will contribute to failures to remain objective.

When are people most susceptible to the effects of psychological closeness? Many factors likely affect how individuals respond to forming a close bond with someone else. The current research, however, proposes that the relationship between psychological closeness and objectivity failures is determined in large part by individuals' tendency to view close relationships as central to their self-concept. Specifically, I predict that the relation between psychological closeness and objectivity failures will be moderated by individual differences in relational-interdependent self-construal.

What is relational-interdependent self-construal?

When individuals become psychologically connected to another person, they reconstruct their self-identity to include that person (Aron & Aron, 1986; Aron et al., 1991). It follows, then, that people who chronically view themselves as independent and separate from others will be least vulnerable to expanding their sense of self as a result of psychological closeness. That is, the tendency to construe the self as distinct and unique from other people should attenuate the effects of psychological closeness to another person. One dispositional trait that captures this tendency is relational-interdependent self-construal (RSC).[1]

RSC refers to a general orientation toward defining the self in terms of one's close relationships (Cross & Madson, 1997; Cross, Bacon, & Morris, 2000). People who are high in RSC consider close relationships as central to their representation of the self. As such, they view close relationship partners as important reflections of who they are. Rather than emphasizing

[1] Multiple forms of self-construal have been conceptualized, such as the tendency to define (or not define) oneself as part of the broader social context (e.g., Markus & Kitayama, 1991; Brewer & Gardner, 1996). However, I believe RSC is most relevant to the current study given its specific focus on interpersonal (vs. collective) relationships.

autonomy and the achievement of one's own goals, the priority for these individuals is to consider the needs and wishes of close others and to behave in ways that promote and strengthen these relationships (Cross, Morris, & Gore, 2002). For example, a study by Cross & Morris (2003) showed that individuals who were high in RSC were better able to understand the values and beliefs of their close relationship partners than individuals who were low in RSC. Additionally, Cross et al. (2000) found that individuals with a highly relational self-construal were generally more willing to take others' needs and wishes into account when making decisions.

In contrast, people who are low in RSC spend little time thinking about close relationships and helping others. Rather, these individuals perceive close relationship partners as independent from who they are as a person and define themselves according to their unique abilities, characteristics, and preferences (Cross, Hardin, & Gercek-Swing, 2011; Oyserman & Markus, 1990). Not surprisingly, individuals low (vs. high) in RSC tend to feel more distantly connected to other individuals (Cross et al., 2002), and prefer to promote their own goals and interests over the goals and interests of others (Gelfand, Major, Raver, Nishii, & O'Brien, 2006).

In sum, prior work demonstrates that individual differences in RSC determine one's willingness to help close relationship partners achieve their goals by altering one's own behavior. Given these findings, I believe that RSC is an ideal lens to study the tendency to commit objectivity failures as a result of psychological closeness. In this dissertation, I argue that RSC determines how individuals respond to developing psychological connections to another person, and specifically suggest that people who are low in RSC care less about promoting the interests of psychologically close others compared to their high RSC counterparts, which in turn decreases

their likelihood of committing objectivity failures that benefit psychologically close individuals. Specifically, I hypothesize that:

> *Hypothesis 2*: RSC will moderate the relation between psychological closeness and objectivity failures such that the relation will be stronger for individuals who are high (vs. low) in RSC.

Thus far, only one other study has explored the relationship between RSC and moral behavior (Cojuharenco, Shteynberg, Gelfand, and Schminke; 2012). In this study, the researchers demonstrated that people who are high (vs. low) in RSC are less likely to behave unethically. Although it may appear that this finding is inconsistent with my hypothesis, it is important to note that the researchers specifically focused on examining the influence of RSC on unethical behavior for self-gain, such as scheming against or harming others. Therefore, this study does not offer insights on RSC and objectivity failures that benefit psychologically close others.

Overview of Studies

This dissertation tests the theoretical model and hypotheses described above across four studies. Chapter 2 reports Study 1, which examined the relationships among psychological closeness, RSC, and objectivity failures in the laboratory. Chapter 3 describes Study 2, which further investigated the moderating effect of RSC on psychological closeness and failures to remain objective. In addition, Study 2 experimentally manipulated feelings of psychological closeness in the laboratory. Chapter 4 reports Studies 3 and 4, which were simultaneously conducted online. Due to time constraints, both studies were designed based off of the results from Study 1 (data collection for Study 2 was still ongoing at the time). Whereas Study 3

attempted to replicate the findings from Study 1, Study 4 tested a manipulation of RSC and examined its effect on objectivity failures.

CHAPTER II

Study 1

Study 1 investigated the relationship between psychological closeness to another person and objectivity failures using a laboratory experiment in which interactions between individuals who knew each other well (i.e., were psychologically close) were compared to interactions between individuals who did not know each other well (i.e., were not psychologically close). Specifically, Study 1 tested the prediction that people who are psychologically close to an individual who cheats on a laboratory task are more willing to endorse that person's unethical behavior—thus committing an objectivity failure—to help the individual earn more money from the task. This operationalization of objectivity failures mimics objectivity failures that occur in organizational monitoring settings.

For example, in auditing, auditors commit objectivity failures when they publicly approve biased evaluations of a client's financial state in order to portray the client in a more favorable light. Indeed, prior work confirms that auditors struggle to remain independent when monitoring clients (e.g., Bazerman, Lowenstein, & Moore, 2002; Gendron, Suddaby, & Lam, 2006; Goldman & Barlev, 1974; Toffler & Reingold, 2003), especially as the auditor-client relationship continues over time (e.g., Christie, Fichman, & Levinthal, 1993; Shaub, 2004). Because most auditor-client relationships tend to persist over time (Levinthan & Fichman, 1988; Seabright, Levintahal, & Fichman, 1992), auditors are in great jeopardy of committing objectivity failures to appease clients. In sum, these findings provide support for the current

predictions by suggesting that feeling psychologically close (vs. not psychologically close) to those one monitors leads individuals to commit objectivity failures.

In addition, Study 1 examined RSC as a moderator of psychological closeness and objectivity failures. That is, Study 1 tested the prediction that the relation between psychological closeness and objectivity failures is stronger for individuals who are high (vs. low) in RSC.

Method

Participants

Participants (N = 198 individuals/ 99 dyads) who were 18 years or older took part in a 45-minute laboratory experiment titled 'Decision Making Study' (M_{Age} = 22.86, SD_{Age} = 5.39; 107 male).[2] Two participants had missing data on gender, age, and race. All participants were recruited from university administered research participation pools in Pittsburgh, Pennsylvania. Before showing up to the study, participants were told that they were required to bring someone they knew (e.g., a friend) with them to the study session, otherwise they would not be allowed to participate. Thus, all participants were recruited in pairs.

Each participant received either a $5 show-up fee or course credit, and had the opportunity to earn up to $7 in bonus money depending on their choices in a decision making task.[3] The sample was 24.7% White, 4.0% Black, 62.1% Asian, 2.0% Hispanic, and 7.2% other (e.g., American Indian, multiracial).

On average, participants reported being well-acquainted with the person that came with them to the study (M = 4.22, SD = .84; 1 = *not very well,* and 5 = *extremely well*). In addition, participants indicated that they liked (M = 4.34, SD = .80), trusted (M = 4.36, SD = .79), and

[2] A total of eleven participants were excluded from the study. Eight participants were excluded due to experimenter error (i.e., failure to assign participants to the correct counterpart in the decision making task) and three participants were excluded for not understanding how to correctly perform their role in the task.

[3] Compensation type (course credit vs. payment) did not significantly influence the results.

valued (*M* = 4.24, *SD* = 1.16) their relationship with this person, with possible responses ranging from 1 = *not very much* to 5 = *very much*. It should be noted that two participants indicated they did not like and did not trust their partner very much (response = 1), and that one of these two participants did not value their partner very much (response = 1); for all other participants, responses on these items ranged from 2 = *slightly* to 5 = *very much*.

The length of time the pair members knew one another varied from 18 days to 22 years. Most individuals reporting being friends with the person that attended the study with them (78.3%), although other kinds of relationships were represented in the sample as well, including roommates (19.2%), acquaintances (10.1%), coworkers (10.6%), dating/unmarried partners (5.1%), and relatives (2.0%). In addition, 8.1% of the sample reported other types of relationships (e.g., neighbors).[4]

Design

The experiment followed a within-subjects design in which participants interacted on the computer in a decision making task with someone to whom they were psychologically close (i.e., the person who came with them to the study) and someone to whom they were not psychologically close (i.e., a randomly-assigned counterpart who was also participating in the study). I refer to this variable as *psychological closeness* (*friend* vs. *stranger*). The order that participants interacted with each counterpart was counterbalanced, such that some participants interacted with a friend first, and others interacted with a stranger first.

Each experimental session was run with up to six participants (three dyads) and contained a minimum of four participants (two dyads) in order for the within-subject manipulation to be implemented. Each participant was seated in a cubicle with a computer in a large laboratory suite.

[4]Preexisting relationship type did not significantly influence the results.

Procedure

The study began with a brief computerized survey in which participants read and completed a consent form and a brief demographic questionnaire (e.g., 'What is your gender?, 'What is your race/ethnicity?') After the survey, participants completed a decision making task twice in which they interacted with another participant and had the opportunity to earn money. Next, they completed a post-task survey, and afterwards were individually paid by the experimenter (either the author or a research assistant) according to their behavior in the decision making task.

Decision making task. Participants were given verbal instructions stating that they would complete a decision making task two times: once with the person who came with them to the study and once with someone else. In the task, each person would be assigned to a role, either a "firm manager" or a "reviewer", and would remain in this role throughout the study. The firm manager's role was to prepare income statements on behalf of a firm, whereas the reviewer's role was to review the firm manager's income statements for accuracy. The experimenter informed participants that they would prepare or review (depending on their role assignment) two income statements per task. In other words, each task consisted of two trials. The interactions between the participants were computer mediated—they interacted via shared "Google Docs". Although managers and reviewers could not communicate verbally, they were allowed to communicate electronically by typing to one another on the shared document.

Following the verbal instructions, the experimenter randomly assigned participants to a role in the task and provided each participant with a set of written instructions including general and role-specific information.[4] Appendix A contains the complete set of written role-specific

[5]The experimenter was neither blind to role assignment nor to the conditions participants were currently participating in during the study.

instructions as well as the general instructions visible to both managers and reviewers.

Of particular importance, the role instructions included information about the compensation structure in the task, which was modeled after the compensation structure of auditors and clients in the U.S. audit market and financial services industry. Reviewers earned $0.75 for each income statement they reviewed regardless of whether they agreed or disagreed with the manager's income statement. This aspect of the payment structure mimics the flat fee auditors charge to companies before conducting financial audits. Managers earned $0.75 for each income statement they prepared if the reviewer agreed with it, but did not earn any money if the reviewer disagreed with the income statement. In addition, managers could earn extra money (up to $2 per task) by overreporting the firm's income on the income statement, but only if the reviewer agreed with what they reported. Thus, managers were incentivized to prepare fraudulent income statements that benefited them financially. The fact that managers got nothing when the reviewer disagreed with the income statement is based on the notion that negative consequences befall companies when auditors disagree with their financial documents. Auditor disagreement might, for example, send a negative signal to shareholders about the company's financial health, leading to decreased market capitalization for the company (Bar-Hava, Huang, Segal, & Segal, 2013).

A final aspect of the design was that of the "oversight committee." All participants learned in their role materials that there was a chance their decisions in the study would be checked for accuracy by an oversight committee. They were informed that at the end of the study, after all tasks were complete, an oversight committee (represented by the experimenter) would draw one card from a stack of ten cards for each manager-reviewer pair. There was one Jack in the stack of cards. If the Jack was drawn, the oversight committee would check all

documents prepared by that manager-reviewer pair for accuracy. Each income statement found to be inaccurate would result in a $0.75 fine against the manager, and each review decision (i.e., 'agree' or 'disagree') found to be inaccurate would result in a $0.75 fine against the reviewer. If a Jack was *not* drawn, then the oversight committee would not check for accuracy for that manager-reviewer pair. The stack of cards was reshuffled after each drawing.

The odds of each manager-reviewer dyad being reviewed by the oversight committee was one in ten. Although this percentage may not correspond to real-world probabilities of financial sanctions against public companies and their auditors, it has been shown to motivate accurate performance in experimental auditing tasks (e.g., King, 2002). Importantly, the oversight committee did not monitor any documents while the tasks were in progress and the outcomes of all investigations by the oversight committee remained private. For instance, if a participant representing the manager role was investigated by the oversight committee and received a fine, no one would know except that participant, not even the reviewer counterpart. The private aspect of the oversight committee drawings was intended to make participants feel more comfortable about their decisions in the task. At the end of the study, participants were individually shown how much they earned in the task and learned only the outcomes of oversight committee investigations against themselves, if any.

After reviewing the written role instructions, participants completed a brief training session on the computer to familiarize themselves with the task materials. In contrast to the actual task, participants did not interact with one another or earn money during the training. After the training was completed and the experimenter answered any questions that arose, participants moved on to the actual decision making task in which they could earn money based on the decisions of themselves and their counterpart. Each manager prepared a total of four

income statements throughout the decision making task—two income statements with each reviewer counterpart. Participants in the manager role completed each income statement on a shared "Google Doc" viewable to their reviewer counterpart. Participants in the reviewer role indicated on that document whether they agreed or disagreed with the income statement. The task instructions directed participants to complete each financial period sequentially such that the manager submits the income statement first and then the reviewer checks that income statement for accuracy; however given that the auditor-client relationship is fluid rather than linear (Gibbins, McCracken, & Salterio, 2005), it was possible for the manager and reviewer to jointly edit and indicate agreement on an income statement before submitting the document to the experimenter.

After each manager-reviewer pair completed and reviewed two income statements with the first interaction partner, the experimenter re-assigned managers and reviewers to new pairs. Each manager was paired with a different reviewer to interact with in the second iteration of the task. Participants who had interacted with a friend in the first task were now paired with a randomly assigned stranger and vice versa. After all dyads finished the second iteration of the task, which involved completing or reviewing two additional income statements, the oversight committee—represented by the experimenter—conducted a drawing to determine which manager-reviewer pairs, if any, would be reviewed for accuracy. Each participant was involved in two drawings—one for each counterpart they interacted with. If a Jack was drawn for a manager-reviewer pair, that pair was informed by the experimenter that their documents would be reviewed for accuracy.

Post-task survey. After the oversight committee drawings were completed, participants completed a post-task survey. The post-task survey began with two general questions about the

task: ‘How well did you understand the task?’ (1 = *not at all*, 6 = *very well*), and ‘What was your role when you were completing the financial tasks in today’s study?’ In addition to these questions, participants were asked open-ended questions about their motivation during each task (i.e., ‘What motivated your behavior in the *first* (*second*) task?’) as well as the extent to which they took the perspective of their counterpart (i.e., ‘When you were working on the *first (second*) financial task, to what extent did you take into account the needs and wishes of the person in the role opposite you?’) with responses ranging from 1 = *not at all* to 5 = *very much*.

Next, participants answered questions about the person they brought with them to the study. They were asked the person’s name, how well they knew the person (1 = *not very well* to 5 = *extremely well*), the nature of their relationship with the person (e.g., friend, acquaintance), how long they had known the person, and how much they trusted, liked, and valued the person (1 = *not very much* to 5 = *extremely*). Participants then completed the Relational-Interdependent Self-Construal scale. Relational-Interdependent Self-Construal (RSC) was assessed with eleven items from the RSC measure developed by Cross et al. (2000). The RSC assesses the degree to which individuals views themselves in terms of their close relationships with others (Cross & Madson, 1997). A sample RSC item is ‘My close relationships are an important reflection of who I am’. Responses were made on a seven-point ratings scale ranging from 1 = *strongly disagree* to 7 = *strongly agree*. RSC was scored by reversing items as needed and then averaging the 11 items. Higher scores represent higher RSC.

For exploratory purposes, participants completed the Moral Foundations Questionnaire (Graham, Nosek, Haidt, Iyer, et al., 2011). Five moral foundations—Harm/Care, Fairness/Reciprocity, Ingroup/Loyalty, Authority/Respect, and Purity/Sanctity—were each measured with six items. A sample item from the Moral Foundations Questionnaire is, ‘When

the government makes laws, the number one principle should be ensuring that everyone is treated fairly'. The MFQ was scored by averaging the six items within each moral foundation (Graham et al., 2011). Higher scores on each moral foundation represent greater endorsement of that moral foundation.

After completing the post-task survey, participants were individually shown the results of the oversight committee investigations against them, if any. Specifically, participants were shown any fines they had received. Finally, participants were compensated for their participation and dismissed from the study.

Results

Data Structure and Treatment of Variables

The data were organized into a panel data structure such that observations of behavior in the decision making task were nested within participants over time. The dataset included four observations per participant, one observation for each trial of the task. There were a total of 396 observations from 99 reviewers. Because observations of reviewers' behavior in the task can be assumed to depend on the current managers' behavior and vice versa, the data were structured such that each observation of a reviewer included partner variables. That is, an observation of a reviewer included the reviewer's responses as well as the manager counterpart's responses for the given trial.

Next, I standardized RSC to a z-score and created variables to analyze the effects of psychological closeness (*friend vs. stranger*), order that participants took part in the study (*friend first vs. stranger first*), and trial (*Trial 1-4*). Psychological Closeness was coded as 0 = stranger condition, 1 = friend condition, and Order was coded as 0 = stranger first, 1 = friend first. I

created three dummy coded contrasts for the trial categories with Trial 1 as the reference group. The trial variables were: Trial 2, Trial 3, and Trial 4.

Next, I created a variable to analyze whether managers overreported on an income statement. This variable was referred to as 'Overreporting' and was coded as 0 = manager did not overreport, 1 = manager overreported for each income statement. Twenty out of 99 managers (20.2%) underreported on an income statement at least one time during the task. Because underreporting income did not benefit managers in any way, I examined manager underreporting separately from overreporting by performing additional analyses.

I also created a variable for reviewers' response to overreporting (i.e., 'Objectivity Failures') where objectivity failures were coded as 0 = reviewer did not allow overreporting, 1 = reviewer allowed overreporting for each income statement. Although it was possible for reviewers to commit an objectivity failure by disagreeing with a manager's honest income statement, this outcome did not occur in the study.

Demographics

Although I did not make any predictions for the demographic characteristics, I examined their effects on psychological closeness and RSC for exploratory purposes. Appendix B provides a detailed discussion of the statistical analyses I conducted to examine the demographic variables in Study 1.

Descriptives

Descriptive results for overreporting and objectivity failures are summarized in Table 1. The majority of managers did not overreport in the task. As Table 1 shows, a greater amount of managers overreported when the reviewer was a friend (n = 44) compared to a stranger (n = 30). A similar pattern of results was discovered for reviewers. Of the reviewers who interacted with a

manager who overreported, a greater amount committed objectivity failures when the manager was a friend (n = 39) compared to a stranger (n =16).

H1: Psychological closeness and objectivity failures

To analyze the effects of psychological closeness (*friend vs. stranger*) on objectivity failures, I reorganized the data to focus only on reviewers who had an opportunity to commit an objectivity failure. Specifically, I removed observations in the data in which the manager did not overreport (i.e., the manager reported honestly on the income statement) and was left with a total of 106 observations from 56 reviewers. Two reviewers had missing data on RSC.

I tested Hypothesis 1 by performing a Generalized Estimating Equation (GEE) analysis. GEE represents a population-averaged semiparametric regression model that examines the overall effect of predictors on a response while controlling for within-cluster correlation. The reason for its use in the current investigation is that GEE can be employed for outcomes that are distributed as binary and allows for longitudinal and other correlated data (Liang & Zeger, 1986; Zeger & Liang, 1992). Alternative analytical strategies, such as Hierarchical Linder Modeling (HLM), are subject-specific—that is, they examine the effect of predictors on a response for a given participant conditional on their individual characteristics. Because the current study is interested in understanding whether psychological closeness to another person influences objectivity failures over an entire population and not in the patterns of objectivity failures for a given individual, the GEE model is most appropriate. The logistic GEE procedure in SPSS was used to estimate the model. The nesting scheme was trial (level-1) nested within participants (level-2). The analysis applied an independent correlation structure. Similar results were discovered when an autoregressive correlation structure was applied.[6]

[6]A strength of the GEE approach is that this method is robust to misspecification of the true correlation matrix (Hardin & Hilbe, 2008). Even so, I performed the GEE analyses using an autoregressive correlation structure. No strong differences were found between the two approaches.

Results

The GEE (referred to as *Model 1*) included the following terms: Psychological Closeness, Order, Trial 2, Trial 3, and Trial 4. Table 2 depicts the parameters in the GEE analysis from Model 1. As expected, psychological closeness to the manager significantly predicted objectivity failures. Reviewers were more likely to allow overreporting when the manager was a friend (M = .88, SD = .04) compared to a stranger (M = .63, SD = .08). The effect of the Order that participants took part in the study was also significant—reviewers were less likely to allow overreporting during the task when they interacted with a stranger first (M = .64, SD = .07) compared to a friend first (M = .89, SD = .04). Lastly, the effect of Trial 2 significantly predicted objectivity failures. Reviewers were more likely to allow overreporting in the second trial (M = .80, SD = .09) compared to the first tria1 (M = .78, SD = .05). The remaining variables were nonsignificant.

H2: Interaction between RSC and psychological closeness on objectivity failures

To test whether RSC influenced the relationship between psychological closeness and objectivity failures, I performed the same GEE analysis from Model 1 with two additional terms added to the model: RSC and Psychological Closeness X RSC. I refer to this GEE as *Model 2*. As shown in Table 3, Psychological Closeness X RSC interaction significantly predicted objectivity failures. Figure 2 depicts the interaction between Psychological Closeness (friend vs. stranger) and RSC. Allowing overreporting was highest when participants were high in RSC and interacted with a manager who was a friend. Similar to Model 1, the effects of Condition, Order, and Trial 2 emerged as significant. In addition, the effect of RSC was marginally significant—reviewers who were high (vs. low) in RSC were marginally more likely to commit objectivity failures. The remaining variables were nonsignificant.

Allowing Underreporting

Twenty reviewers interacted with a manager who underreported income on an income statement. Of these reviewers, 16 responded by allowing the manager to underreport. Given the moderate level of reviewers who allowed underreporting, I conducted additional analyses to test for the effects of the hypothesized variables on this outcome. First, I reorganized the data to focus only on reviewers who had an opportunity to allow underreporting. I removed all observations from the original dataset where the manager did not underreport income.
In total, there were 26 observations from 20 reviewers who interacted with a manager who overreported. Next, I created a variable for underreporting (i.e., 'Underreporting) which was coded as 0 = manager did not underreport, 1 = manager underreported for each income statement. I also created a variable for reviewers' response to underreporting (i.e., 'Allowed Underreporting) coded as 0 = reviewer did not allow underreporting, 1 = reviewer allowed underreporting for each income statement.

Next, I performed the GEE from Model 1 with Allowing Underreporting as the outcome variable to test whether psychological closeness influenced allowing underreporting. Because initial testing revealed that underreporting was constant during Trial 4 (i.e., underreporting did not occur in this trial), the Trial 4 variable was removed from the GEE model. The terms included in the GEE model were: Psychological Closeness, Order, Trial 2, and Trial 3. Results revealed that none of the effects were significant. Next, I performed the GEE from Model 3 with Allowing Underreporting as the outcome variable to test whether RSC moderated the relationship between psychological closeness and allowing underreporting. The terms included in the GEE model were: Psychological Closeness, Order, Trial 2, Trial 3, RSC, and Psychological Closeness X RSC. As expected, the effects for all of these variables were nonsignificant.

Discussion

The goal of Study 1 was to explore the relationship between psychological closeness and objectivity failures. The results supported Hypothesis 1 by showing that reviewers committed more objectivity failures when they were (vs. were not) psychologically close to a manager who overreported on an income statement. This finding showcases the negative effects that psychological closeness can have on ethical decision making, particularly in monitoring contexts. In addition, the results supported Hypothesis 2 by showing that individuals who were (vs. were not) psychologically close to a manager who overreported on an income statement were more likely to commit objectivity failures when they were high (vs. low) in RSC. This finding provides evidence that people who construe the self in terms of their close relationships are more vulnerable to behaving unethically to help psychologically close others.

Although I did not hypothesize a relationship between the order participants took part in the study and objectivity failures, the results from Study 1 showed that reviewers were more likely to commit objectivity failures when their first interaction in the decision making task was with a manager who was a friend (vs. stranger). One potential explanation for this finding is that there is a residual effect of interacting with psychologically distant individuals. Perhaps interacting with those we do not know well leads us to adopt a more objective mindset, resulting in more fair and honest decision making in future interactions with other people (including friends). Alternatively, there may be a residual effect of interacting with psychologically close individuals. For instance, it is possible that being around close others activates a general desire to help (or avoid harming) other people, leading to a higher rate of objectivity failures to promote others (including strangers). Further investigation of this finding is necessary before definitive conclusions can be made.

I did not hypothesize a relationship between the trials of the task and objectivity failures, yet the results consistently showed that objectivity failures were more likely to occur in the second trial of the decision making task compared to the first trial. Perhaps reviewers felt more comfortable allowing overreporting after interacting with the same partner for one trial.

Limitations

One limitation of Study 1 is that it used preexisting friendships as a measure of psychological closeness. In Study 2, I address this limitation by invoking feelings of psychological closeness to another person in the laboratory. A second limitation of Study 1 is that it measured RSC after the decision making task, meaning that participants' responses to the RSC scale could have been influenced by whether they committed an objectivity failure in the task. Study 2 addresses this limitation by measuring RSC before participants have an opportunity to commit objectivity failures.

CHAPTER III

Study 2

Although Study 1 investigated the proposed relationships between psychological closeness, RSC, and objectivity failures, it used preexisting relationships as a proxy for psychological closeness rather than manipulating feelings of psychological closeness directly. Study 2 aimed to address this limitation by invoking feelings of psychological closeness through a sharing game developed by Aron, Melinat, Aron, Vallone, and Bator (1997). In this study, I tested the prediction that individuals who develop (vs. do not develop) feelings of psychological closeness to another person are more willing to commit objectivity failures by allowing that person to cheat on a laboratory task.

In addition, in Study 2, I sought to replicate RSC as a moderator of psychological closeness and objectivity failures, with RSC measured before participants had an opportunity to fail to remain objective. Specifically, I tested the prediction that people who are high (vs. low) in RSC are more likely to commit objectivity failures to help psychologically close individuals.

Method

Participants

One hundred and eight participants (M_{Age} = 22.83, SD_{Age} = 7.14; 50 male) who were 18 years or older were recruited individually for a 50-minute laboratory study. The sample was 29.6% White, 9.3% Black, 50.9% Asian, 1.9% Hispanic, and 8.3% other (e.g., American Indian, multiracial).

All participants were recruited from university administered research participation pools in Pittsburgh, Pennsylvania. Each participant received either $6 or course credit for taking part in the study.[7] In addition, all participants earned $3 in bonus money for successfully completing a decision making task (used in Study 1).

Design

The design included two key variables of interest. Individual differences in *Relational-Interdependent Self-Construal (RSC)* was measured in a brief online survey administered at the beginning of the study.[8] *Psychological closeness* was manipulated through a sharing game adapted from Aron, Melinat, et al. (1997), which was designed to generate high levels of psychological closeness to another person during a short period of time (20 minutes). In the *high psychological closeness* condition, participants asked and answered a series of questions requiring a high amount of self-disclosure with someone who was also participating in the study. Those randomly assigned to the *low psychological closeness* condition asked and answered a series of questions requiring a minimal amount of self-disclosure with someone who was also participating in the study.

Procedure

The study began with a brief online survey in which participants completed the Relational-Interdependent Self-Construal scale (Cross et al., 2000) and basic demographic questions (i.e., gender, age, race).

After the survey, participants were randomly paired with a partner who was also

[7]Compensation type (course credit vs. payment) did not significantly influence the results.

[8]The first 30 participants completed the RSC scale and demographic questions in a separate prescreen survey administered several days before the day of the study. In addition to these items, the prescreen survey included personality measures not relevant to the current study. Results revealed no significant differences between participants who completed the prescreen and participants who completed the RSC scale and demographics during the study.

participating in the study.[9] Participants were told that they would interact with their partner throughout the study. Each pair met in person for 20 minutes to complete a sharing game adapted from Aron et al. (1997). The purpose of this game was to produce feelings of psychological closeness to one's partner by asking and responding to a series of questions. The nature of the questions varied according to the experimental condition. In the *high psychological closeness* condition, participants asked and answered questions with their partner which required a high amount of self-disclosure and emphasized participants' relationship with their partner. Example questions are "*What is your most treasured memory?*" and "*Name three things you and your partner have in common*." In the *low psychological closeness* condition, participants asked and answered questions with their partner which required a low amount of self-disclosure and did not pertain to participants' relationship with their partner. Example questions are "*Do you prefer digital watches and clocks or the kind with hands? Why?*" and "*What is your favorite holiday? Why?*" The complete set of questions for each version of the task is provided in Appendix C.

All participants were instructed to take their time answering each question and to focus on providing thoughtful responses rather than getting through all of the questions with their partner. Although the original version of the sharing game was designed to take 45 minutes to complete, the current study design allotted 20 minutes for participants to interact with their partner in the sharing game. As a result, participants asked and answered fewer questions with their partner. Specifically, participants were presented with the last twenty questions from the original sharing game for each condition. Minor revisions were also made to the task instructions for clarification purposes. No other aspects of the sharing game were modified.

After completing the sharing game, the experimenter separated each pair and assigned

[10]Two participants (who did not belong to the same pair) reporting knowing their randomly assigned partner before the study. Results were consistent when these participants (and their partners) were excluded from the analyses.

participants to sit at individual cubicles. Once seated, participants were asked to answer four questions (previously used by Gino & Galinsky, 2012) on the computer measuring feelings of psychological closeness to their partner. Participants were asked: "*How similar do you feel to your partner?*", "*How related do you feel to your partner?*", "*How easy would it be for you to take the perspective of your partner?*", and "*How psychologically close do you feel to your partner?*" Responses to these questions ranged from 1 = *not at all* to 7 = *very much*. These items were later averaged into a single measure of psychological closeness ($\alpha = .84$).

Next, participants were presented with online instructions for the decision making task from Study 1 and were "randomly" assigned to a role in the task. Participants were told that their partner from the sharing game was assigned to the role opposite them. In reality, all participants were assigned to the role of a reviewer, and did not actually participate in the task with their partner.

After reading the instructions for the task and learning about their role, participants answered three multiple-choice questions about the task on the computer. The questions asked were: "*What role have you been assigned to in the task?*", "*As a reviewer, how much money will you earn if you AGREE with the manager's income statement?*", and "*As a reviewer, how much money will you earn if you DISAGREE with the manager's income statement?*" Participants were required to correctly answer all three questions in order to move on to the next part of the study. Those who answered a question incorrectly were asked to re-answer the question until the correct answer was chosen, which sometimes took multiple attempts.

After correctly answering all questions, participants completed the training materials for the decision making task. After successfully finishing training, participants completed the actual decision making task. At the beginning of the decision making task, participants (all assigned to

the reviewer role) were given online instructions stating that they must wait to perform their reviewing duties until their partner completed all of the income statements. During this waiting period, participants were asked to complete a filler task, the 60-item HEXACO personality inventory (Ashton & Lee, 2009). Upon completing the HEXACO questionnaire, participants were instructed to check their study-designated gmail inbox (which was open in a separate tab on the computer) to see if the manager had emailed them a link to the income statements (available on a shared "Google Doc"). In reality, the email and income statements were previously prepared and sent to each reviewer by the experimenter at exactly four minutes after the decision making task began.

After opening the "Google Doc", participants reviewed four income statements prepared by the manager. In contrast to Study 1, participants were not allowed to communicate with the manager on the shared "Google Doc" and were told that the manager was not allowed to communicate with them. The first previously prepared income statement consisted of honest financial reporting by the manager whereas the subsequent three income statements consisted of dishonest financial reporting.[10] The purpose of the latter income statements was to provide participants with opportunities to commit objectivity failures. As they were told in the role instructions, approving dishonest financial statements would allow the manager to earn more money in the task.

After participants reviewed all four income statements, they completed a brief post-task survey in which they were asked 1) to explain the motivation behind their decisions in the task, 2) whether they previously knew their partner in the task, and 3) whether they had general comments about the study. Following completion of the survey, participants were individually

[10]In the second financial statement, the manager overreported income by $0.1 million; in the third financial statement, the manager overreported income by $0.2 million; in the fourth financial statement, the manager overreported income by $0.4 million.

compensated for their participation, at which point they were informed that the oversight committee drawing (described in the task instructions) would not take place. Lastly, participants were debriefed and dismissed from the study.

Results

Data Structure and Treatment of Variables

Similar to Study 1, the data were organized as a panel data structure such that observations of behavior in the decision making task were nested within participants over time. The dataset included three observations per participant, one observation for each trial of the task in which participants had an opportunity to commit an objectivity failure. Although participants completed four trials in the decision making task, objectivity failures—the focus of this study—were only possible during the last three trials. Moreover, all participants except one agreed with the manager's honest income statement in the first trial, meaning that there was little to no variance in participant behavior for this trial. In total, there were 324 observations from 108 reviewers in the dataset.

Next, I standardized RSC to a z-score and created a variable to analyze the effect of experimental condition (*high vs. low psychological closeness*). This variable was referred to as 'Condition' and was coded as 0 = low psychological closeness, 1 = high psychological closeness. I also created dummy-coded contrasts for the trial categories with Trial 2 as the reference group. The two dummy coded contrasts were Trial 3 and Trial 4. Finally, I created a variable for reviewers' response to overreporting (i.e., 'Objectivity Failures') where objectivity failures were coded as 0 = reviewer did not allow overreporting, 1 = reviewer allowed overreporting for each income statement.

Similar to Study 1, a discussion of the findings for psychological closeness and RSC in Study 2 when demographic variables were included in the statistical analyses can be found in Appendix B.

Descriptives

Descriptive results for objectivity failures are summarized in Table 4. Consistent with Study 1, the majority of reviewers did not commit objectivity failures by allowing overreporting in either condition. Eighteen out of 56 reviewers (32%) committed at least one objectivity failure in the high psychological closeness condition whereas 14 out of 52 reviewers (27%) committed at least one objectivity failure in the low psychological closeness condition. As Table 6 illustrates, the number of objectivity failures was higher in the high psychological closeness condition compared to the low psychological closeness condition.

Sharing Game

Before testing the hypotheses, I first tested whether the sharing game successfully produced feelings of psychological closeness to one's partner. I conducted an independent samples t-test to compare the effect of Condition (*high vs. low psychological closeness*) on self-reported psychological closeness after the sharing game (using the averaged measure of psychological closeness; $\alpha = .84$). There was a significant difference in feelings of psychological closeness among the high psychological closeness ($M = 3.43$, $SD = .86$) and low psychological closeness ($M = 3.11$, $SD = .77$) conditions; $t(322) = -3.55$, $p < .001$.[11] That is, participants in the high psychological closeness reporting feeling more similar, related, and psychologically close to

[11]Because psychological closeness toward one's partner was measured at the subject-level, I also conducted an independent samples t-test when the data were structured at the subject-level. That is, the dataset included one observation per participant, for a total of 108 observations. Similar results were discovered for the effect of Condition (high or low psychological closeness) on psychological closeness, $t(106) = -2.04$, $p < .05$.

their partner, and had an easier time taking the perspective of their partner compared to those in the low psychological closeness condition.

H1: Psychological closeness and objectivity failures

I performed a GEE to examine whether psychological closeness to one's partner in the study influenced objectivity failures. Similar to Study 1, the logistic GEE procedure in SPSS was used to estimate the model using an independent correlation structure. The nesting scheme was trial (level-1) nested within participants (level-2). The GEE model (referred to as *Model 3*) included the following terms: Condition, Trial 3, and Trial 4. Table 5 describes the parameters in the GEE analysis from Model 3. As Table 5 shows, there was a marginal effect of Condition on objectivity failures. Reviewers were marginally more likely to allow overreporting in the high psychological closeness condition (M = .24, SD = .43) compared to the low psychological closeness condition (M = .20, SD = .40). The remaining variables were nonsignificant.

H2: Interaction between RSC and psychological closeness on objectivity failures

To examine whether RSC moderated the relationship between psychological closeness and objectivity failures, I performed a GEE (referred to as *Model* 4) using the variables in Model 3 (Condition, Trial 3, and Trial 4) plus RSC and Condition X RSC. Eleven participants were excluded from this analysis due to missing data on RSC[12]. As Table 6 shows, the interaction between Condition and RSC was nonsignificant in the GEE model. I further explored this interaction to investigate whether the descriptive trend was consistent with the hypothesized predictions (see Figure 3). Contrary to expectation, participants high in RSC were not more likely to commit objectivity failures compared those low in RSC in the high psychological

[12]Eleven participants (who did not complete the prescreen survey) did not complete the RSC scale in the study due to initial survey settings which did not require participants to complete this measure. Upon recognizing the issue, the author changed the survey settings to require participants to complete the RSC measure.

closeness condition. The remaining variables were nonsignificant.

Discussion

The main goal of Study 2 was to replicate the findings from Study 1—specifically, I aimed to show that psychological closeness contributes to objectivity failures, especially for those who are high (vs. low) in RSC. In addition, Study 2 aimed to extend the findings from Study 1 by invoking feelings of psychological closeness to another person in the laboratory. The results provided support for Hypothesis 1 by showing that participants were more likely to commit objectivity failures in the high (vs. low) psychological closeness condition. Although this finding was marginal, the direction of the effect was consistent with the hypothesized prediction. Contrary to expectation, RSC did not moderate the relationship between psychological closeness and objectivity failures. Thus, this study does not support Hypothesis 2.

It is possible that the null findings for RSC are due to a lack of power in the study. Although there were a comparable number of participants assigned to the reviewer role across Studies 1 and 2 (n = ~100 for each), Study 1 had the advantage of using a within-subjects design. In contrast, Study 2 applied a between-subjects design, which is considerably less powerful. The relatively small sample size in this study may have particularly influenced the findings for RSC due to the small number of participants per cell when analyzing the RSC X Psychological Closeness interaction. Alternatively, it is possible that RSC does not influence the relationship between psychological closeness and objectivity failures, at least not in the direction I hypothesized. Given that inspection of the descriptive trend for RSC and psychological closeness (see Figure 3) did not match with my prediction in Hypothesis 2, it is quite possible that RSC is not influential in the theoretical model. In the next chapter of my dissertation, I continue to investigate RSC and whether it is a useful predictor of objectivity failures.

CHAPTER IV

Studies 3 and 4

In the fourth chapter of this dissertation, I discuss two online studies (referred to as Study 3 and Study 4) which further investigated whether RSC moderates psychological closeness and objectivity failures. Due to time constraints, I conducted Studies 3 and 4 simultaneously and designed each based on the findings from Study 1. Across both studies, I tested the prediction that people who are high (vs. low) in RSC are more willing to commit objectivity failures to promote psychologically close individuals. Whereas previous studies in this dissertation investigated objectivity failures in the form of publicly endorsing another person's dishonest behavior in a laboratory task, Studies 3 and 4 examined objectivity failures in a different, more subtle context—intentionally failing to report another person's wrongdoing to a third party. This operationalization is based on objectivity failures that can arise in the workplace, such as when employees fail to blow the whistle on organizational wrongdoing. For example, an employee might fail to report a co-worker who engages in corporate fraud in order to prevent the co-worker from being punished for his or her illegal behavior. In this scenario, the employee has committed an objectivity failure through omission.

Support for using failing to report another person's unethical behavior as a measure of objectivity failures can be found in prior literature on whistleblowing, which indicates that individuals are less likely to report wrongdoing when they are close (vs. not close) to the perpetrator (Dyck, Morse, & Zingales, 2010; Larmer, 1992). In such situations, blowing the whistle is considered as an act of betrayal or disloyalty to the wrongdoer (Waytz et al.; 2013).

This research supports the theoretical model by suggesting that psychological closeness motivates individuals to fail to report wrongdoing committed by others. Although RSC has not yet been examined in this context, I expect to find that people are more likely fail to report wrongdoing committed by psychologically close individuals when they are high (vs. low) in RSC.

Pilot Studies

Before conducting Studies 3 and 4, I conducted five pilot studies which also explored RSC as a moderator of psychological closeness and objectivity failures (see Appendix D for detailed information about these studies). In the first set of pilot studies (*Pilot Studies 1-3*), I tested whether RSC predicted objectivity failures using a hypothetical auditing scenario that I developed. Due to a lack of significant results, this scenario was ultimately dropped from the study design and a different form of objectivity failures (i.e., failing to blow the whistle) was adopted for Studies 3 and 4. In the second set of pilot studies (*Pilot Studies 4-5*), I tested new manipulations of RSC that I developed. The findings from Pilot Study 5 provided preliminary support for an experimental manipulation of RSC that I used in Study 4.

Study 3

The goal of Study 3 was to extend the current research by investigating whether individuals who are high (vs. low) in RSC are more likely to fail to report wrongdoing committed by psychologically close individuals. I tested this prediction in an online study which first measured RSC and then presented participants with a series of whistleblowing scenarios involving hypothetical perpetrators (ranging from strangers to close others.

Method

Participants

One hundred and thirty-eight individuals (M_{Age} = 34.54, SD_{Age} = 10.58; 84 male) participated in an eight-minute online study for a small payment on Amazon MTurk. The sample was 81.9% White, 5.8% Black, 7.2% Asian, 1.4% Hispanic, and 3.6% other (e.g., American Indian, multiracial).

Design & Procedure

Participants began the online study by completing a brief demographic questionnaire in which they were asked to indicate their gender, age, and race. Next, they completed the Relational-Interdependent Self-Construal scale (Cross et al., 2000). Participants were then presented with seven hypothetical whistleblowing scenarios previously used by Waytz et al. (2013). The whistleblowing scenarios depicted the seven different types of wrongdoing—stealing $1 from a restaurant's tip jar, embezzling $1000 from one's work place, robbing a woman of her cell phone and wallet, cheating on a final exam in college, spraying rude graffiti on the side of a local store, using and selling illegal drugs, and fatally stabbing a convenience store owner. For each scenario, participants were asked to indicate how likely (1 = *Very unlikely*, 5 = *Very likely*) they would be to report the perpetrator's behavior to a third party if the perpetrator were: A) a total stranger you've never met, B) an acquaintance you see occasionally, C) a close friend you've known for years, D) a family member you're very close to.

After responding to the second whistleblowing scenario, an attention check was administered to participants. This attention check instructed participants to write the word 'survey' in the text box provided by one of the multiple choice response items. One participant was excluded from the study for not successfully passing the attention check.

After responding to all of the whistleblowing scenarios, participants had an opportunity to provide general comments about the study.

Results

Treatment of Variables

First, I computed two whistleblowing variables to distinguish between different levels of psychological closeness to the perpetrator. I refer to these variables as 'High Psychological Closeness' and 'Low Psychological Closeness'. I created High Psychological Closeness by averaging responses over the seven whistleblowing scenarios when the perpetrator was a close friend and when the perpetrator was a close family member ($\alpha = .95$). Similarly, I created Low Psychological Closeness by averaging responses over all the seven whistleblowing scenarios when the perpetrator was a stranger and when the perpetrator was an acquaintance ($\alpha = .89$). For exploratory purposes, I also computed separate whistleblowing variables for each type of relationship to the perpetrator by averaging responses over all seven scenarios (all $\alpha > .77$). Higher scores on the whistleblowing variables indicate a greater willingness to report a perpetrator to a third party. Therefore, lower scores on these variables indicate a greater willingness to commit objectivity failures.

In line with my previous studies, Appendix B describes exploratory analyses that I conducted to examine the influence of the demographic variables on psychological closeness and RSC.

Results

I conducted a one-way repeated measures ANCOVA to compare the effect of RSC on blowing the whistle across high and low levels of psychological closeness to the perpetrator. The variables included in the model were Psychological Closeness (high or low), RSC, and

Psychological Closeness X RSC. There was a significant interaction between RSC and Psychological Closeness on willingness to blow the whistle, $F(1,136) = 3.81$, $p = .05$. As Figure 4 shows, participants who were high in RSC were more likely to blow the whistle when they were low (vs. high) in psychological closeness to the perpetrator. The effect of Psychological Closeness was also significant, $F(1,136) = 90.36$, $p < .001$. As expected, participants were more likely to blow the whistle when they were low (vs. high) in psychological closeness to the perpetrator.

Discussion

The goal of Study 3 was to provide support for Study 1 by showing that RSC moderated the relationship between psychological closeness and objectivity failures. Specifically, I predicted that whistleblowing would be lowest among those high in psychological closeness to the perpetrator and high (vs. low) in RSC. Contrary to expectation, the results did not support this prediction. Instead, the results revealed that intentions to report wrongdoing when the perpetrator was *low* in psychological closeness were highest for those high (vs. low) in RSC. Although this finding does not contribute to the theoretical model, it does support previous work by Cojuharenco et al. (2012), which found that people high in RSC are generally less likely to behave unethically compared to their low RSC counterparts.

The lack of support for Hypothesis 2 in this study corroborates the null findings from Study 2. Across both studies, the results showed that RSC did not influence the tendency to commit objectivity failures to help psychologically close individuals in the hypothesized direction. Given this emerging pattern of results, it is possible and perhaps likely that RSC is not a relevant predictor in the theoretical model. In the final study of my dissertation, which was conducted at the same time as Study 3, I continue to explore the role of RSC by testing whether RSC can be experimentally manipulated through priming.

Study 4

The goal of Study 4 was to further investigate the role of RSC in the theoretical model. Unlike Studies 1 through 3, which focused on individual differences in (chronically accessible) RSC, Study 4 examined situations where RSC was temporarily *in*accessible. That is, I explored whether it was possible to decrease the accessibility of RSC, particularly for individuals possessing high levels of this trait. In doing so, I aimed to test a possible intervention to mitigate the negative effects of psychological closeness on objective decision making.

Manipulating RSC

Underlying the proposition that RSC can be made temporarily inaccessible is the idea that a person's self-concept can become more or less activated across different social contexts (Kihlstrom & Cantor, 1984; Gelfand et al., 2006). In other words, strong features of a situation can activate or deactivate certain thoughts, feelings, and behavior relevant to one's sense of self. Consider the case of a person who tends to behave competitively toward others (i.e., competitiveness is chronically accessible). Although the individual is typically competitive, he or she may not behave display competitive behavior unless cued by stimuli in the environment. Similarly, if a person's chronic accessibility to RSC is not relevant to the current context, it will not become salient or acted upon. Indeed, psychological research suggests that highly relational individuals adapt to fit the demands of their current situation, becoming less concerned with the needs and demands of their close relationship partners in contexts that emphasize autonomy and independence—values that oppose RSC (Cross and Morris, 2003). Building on this line of thought, I tested the prediction that individuals who temporarily adopt low (vs. high) levels of RSC are less willing to commit objectivity failures to benefit psychologically close others.

Consistent with Study 3, Study 4 operationalized objectivity failures as failing to report another person's wrongdoing to a third party.

Method

Participants

Ninety-six individuals (51 male, 45 female) participated in an eight-minute online study for a small payment on Amazon MTurk.

Design & Procedure

Participants began the study by completing a writing task that I developed which manipulated levels of RSC. Prior to conducting Study 4, I conducted a pilot study which provided preliminary support for the RSC manipulation (see Pilot Study 5 for more details).

RSC Manipulation

Participants were randomly assigned to one of two experimental conditions: low RSC versus high RSC. Those in the *low RSC* condition were instructed to write an essay convincing somebody else that their close relationships (e.g., close friends, family) are not an important part of who they are. Participants in the *high RSC* condition were instructed to write an essay convincing somebody else that their close relationships are an important part of who they are.

Participants in both conditions had five minutes to complete the essay (after which they would automatically transition to the next part of the survey) and were allowed to use additional resources, such as the internet or news articles, to build their case. As an incentive to do well on the task, all participants were told that their essay, and one randomly selected essay with an opposing viewpoint would be presented to future study participants, who would choose which essay was more persuasive. If their essay was chosen, participants entered into a lottery for a $25 Amazon.com gift card. One participant was selected for the $25 Amazon.com gift card.

Directly after finishing the writing task manipulation, participants responded to the seven whistleblowing scenarios from Study 3. After the second whistleblowing scenario, an attention check was presented to participants which asked them to write the word 'survey' in the text box provided by one of the multiple choice response items. Six participants were excluded from the study for not successfully passing the attention check.

Next, participants were asked to indicate their gender (age and race were not included as demographic questions in the survey). Finally, participants had an opportunity to provide general comments about the study before leaving the survey.

Results

Treatment of Variables

First, I created a variable to analyze the effect of experimental condition (low RSC vs. high RSC). This variable was referred to as 'Condition' was coded as 0 = low RSC, 1 = high RSC. As in Study 3, I created two whistleblowing variables to represent the different levels of psychological closeness to the perpetrator. These variables are referred to as 'High Psychological Closeness' and 'Low Psychological Closeness'. I computed High Psychological Closeness by averaging responses over all of the scenarios when the perpetrator was close friend and when the perpetrator was a close family member ($\alpha = .94$). For the Low Psychological Closeness variable, I averaged responses over all seven scenarios when the perpetrator was a stranger and when the perpetrator was an acquaintance ($\alpha = .92$). For exploratory purposes, I computed separate whistleblowing scores for each type of relationship to the perpetrator by averaging responses over all seven scenarios (all $\alpha > .83$). Higher scores on the whistleblowing variables indicate a greater willingness to report wrongdoing committed by a perpetrator. Thus, lower scores on these variables indicate a greater willingness to commit objectivity failures.

As discussed in Appendix B, I investigated the influence of gender on the hypothesized variables (RSC and psychological closeness) for exploratory purposes.

Results

I performed a one-way repeated measures ANOVA to determine whether high versus low RSC influenced blowing the whistle when participants were psychologically close to the perpetrator. The variables included in the model were Condition (high RSC or low RSC), Psychological Closeness (high or low), and Condition X Psychological Closeness. Results indicated that the effect of Psychological Closeness was significant, $F(1,94) = 151.15$, $p < .001$. Participants who were low in psychological closeness to the perpetrator ($M = 3.81$, $SD = .87$) were more likely to blow the whistle compared to when they were high in psychological closeness to the perpetrator ($M = 2.90$, $SD = .97$). The effect of Condition was nonsignificant, $F(1,94) = .58$, $p = .45$. That is, participants in the low RSC condition ($M = 3.31$, $SD = .12$) were no more likely to blow the whistle than participants in the high RSC condition ($M = 3.43$, $SD = .13$). The interaction between Condition and Psychological Closeness was also nonsignificant, $F(1,94) = .03$, $p = .87$.

Discussion

Study 4 aimed to replicate the findings from Study 1 by showing that low (vs. high) RSC decreases the likelihood of objectivity failures to help psychologically close individuals. In addition, Study 4 sought to temporarily reduce levels of RSC, which has not yet been attempted in the literature. Contrary to expectation, experimentally manipulated RSC did not moderate the relationship between psychological closeness and objectivity failures.

Although Study 4 aimed to offer a solution for preventing the negative effects of psychological closeness on decision making, this goal was not achieved. Instead, the results from this study (combined with the findings from Studies 2 and 3) suggest that

RSC does not operate in the form that was previously hypothesized.

CHAPTER V

General Discussion

Across four studies, I investigated the consequences of various forms of psychological closeness and RSC, both manipulated and preexisting, on failures to remain objective. Specifically, these studies examined whether feeling psychologically close to another person leads individuals to commit objectivity failures, such as allowing individuals to overreport their financial state (Studies 1 and 2) and failing to blow the whistle on people who behave unethically (Studies 3 and 4). In addition, this project explored whether RSC is influential as a moderator of psychological closeness and failures to remain objective.

In Study 1, I showed that showed that people were more likely to commit objectivity failures to help another person when they were high (vs. low) in psychological closeness to that person. As hypothesized, this effect was stronger for individuals high (vs. low) in RSC. Therefore, Study 1 fully supported the theoretical model (*Hypotheses 1* and *2*). In Study 2, I attempted to replicate these findings. Although I found support for *Hypothesis 1* by showing that participants high (vs. low) in psychological closeness committed more objectivity failures, I failed to discover that RSC influenced how participants responded to interacting with a psychologically close individual.

In Studies 3 and 4, I continued to explore RSC and its relation to the theoretical model using two online experiments (along with a series of pilot studies). Study 4 also contributed to the research by testing whether RSC—although typically conceptualized as a stable personality

trait—can be activated or repressed through priming, which had not yet been examined in the literature. Although there was preliminary support for the manipulation of RSC from a pilot study, the findings from Study 4 showed that experimentally manipulated RSC did not influence the tendency to commit objectivity failures to help psychologically close individuals. In addition, in Study 3, RSC did not moderate psychological closeness and objectivity failures in the hypothesized direction.

Overall, the results from these studies did not reveal consistent findings for RSC, which suggests that this personality trait is not be influential in determining how people respond to psychological closeness. Thus, these studies advance our understanding of RSC by showing that it does not motivate objectivity failures to help close others. Alternatively, the findings from Study 3 of this dissertation provided supporting evidence for Cojuharenco et al. (2012), which showed that RSC is negatively related to unethical behavior.

Importantly, this dissertation did provide consistent evidence that breakdowns in independence can be explained by psychological closeness to another person, which has several theoretical and practical implications.

Theoretical Contributions

The research presented in this dissertation contributes to the existing literature in social psychology and organizational behavior by delineating how close relationships bias ethical decision making in both work-related and social contexts. Prior work has identified psychological closeness as an important mechanism affecting people's thoughts and behavior toward others (e.g., Aron & Aron, 1986; Gunia et al., 2009). For instance, Gino & Galinsky (2012) demonstrated that psychological closeness influences moral decision making, specifically by leading individuals to mimic unethical behavior committed by those they feel close to. This dissertation contributes to prior research by showing that psychological closeness can also produce unethical behavior that benefits close others, such as committing objectivity failures to portray another person in a favorable light.

Organizational Implications

The findings from this dissertation may have important implications for practice in organizational behavior. The current project raises awareness of the possible negative effects of building close relationships with employees, which may be of particular interest to managers who are interested in promoting an ethical work environment. Although maintaining close work relationships within a professional circle can lead to positive career outcomes, such as opening doors to new job opportunities, improving performance, and increasing work satisfaction, managers should be mindful of the potential conflict that can arise when individuals must also maintain objectivity and independence in their work. One suggestion is for managers to take proactive steps to ensure that employees are not put in situations where there may be a conflict of interest between maintaining objectivity and maintaining close relationships. For instance, in hiring settings, rules can be set in place so that individuals are not allowed to interview or have a deciding vote upon candidates with whom they have a preexisting relationship. This solution may be particularly useful for organizations where employees are incentivized to successfully recruit new hires through bonuses.

Future Directions

An important direction for future research is to explore this phenomenon in organizational contexts other than monitoring and whistleblowing settings. In the medical field,

for instance, it may be the case that doctors who develop feelings of psychological closeness to a patient are motivated to hide a patient's poor health prognosis in order to help the patient maintain hope and optimism during treatment. Consider the case of a doctor who feels psychologically close to a child who is dying from leukemia. As a result of psychological closeness, the doctor may intentionally not inform the child (or the child's parents) of the full diagnosis in order to give the child a sense of hope for recovery. Other contexts where these mechanisms can be explored include hiring settings, performance evaluation settings, and litigation settings. For example, in litigation settings, judges may develop feelings of psychological closeness to lawyers who practice regularly before them, and, as a result, may form more positive opinions of these lawyers and rule in their favor more often than lawyers they interact with less frequently.

Although RSC was not influential in the current research, future studies could explore whether other personality traits impact the relationship between psychological closeness and objectivity failures. For instance, perhaps individuals who are high (vs. low) in Empathy or Perspective Taking are more likely to commit objectivity failures that promote or protect close others. Individuals who are high (vs. low) in these traits tend to consider the thoughts and needs of other people before making decisions (Davis, 1980); thus, it is possible that these individuals are more susceptible to becoming biased toward other people rather than remaining objective. In a similar vein, individuals who have a disposition toward being loyal to their in-group may be more likely to commit objectivity failures to help psychologically close in-group members (Haidt, 2001, 2007). A study by Smith, Aquino, Koleva, & Graham (2014) suggests that this is indeed the case, showing that people who chronically valued loyalty were more likely to endorse mistreating out-group members in order to promote the well-being of in-group. Overall, research on this topic will benefit by continuing to explore the extent to which personality traits

influence moral behavior.

Conclusion

The Roman philosopher Marcus Tullius Cicero famously stated in his treatise *On Duties*, '*Non nobis solum*'. In English, this motto translates to "Not for us alone are we born". As this saying illustrates, human beings are social by nature. Some might even argue that building close relationships with other people is vital to living a happy life. Although there are myriad positive effects of incorporating other people into our lives, this dissertation demonstrates that there are also pitfalls of developing relationships with others. By showing that psychological closeness influences our motivation and ability to remain objective, this dissertation furthers our understanding of how and why unethical behavior arises in the workplace.

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Table 1

Overreporting and Objectivity Failures When Counterpart Was a Friend versus Stranger

	Friend Counterpart	Stranger Counterpart
Overreporting by Client	44.4%[a]	30.3%[b]
Objectivity Failure by Auditor	88.6%[c]	53.3%[d]

Note: [a]*n* = 44 overreported (out of 99 managers); [b]*n* = 30 overreported (out of 99 managers); [c]*n* = 39 allowed overreporting (out of 44 reviewers); [d]*n* = 16 allowed overreporting (out of 30 reviewers).

Table 2

Parameters from Reviewer GEE Analysis (Model 1)

Variable	***B***	***SE B***	***95% CI***	***Odds Ratio***	***p***
Psychological Closeness (0 = stranger, 1 = friend)	-2.14	0.47	(-3.08, -1.21)	20.17	.00
Order (0 = stranger first, 1 = friend first)	2.00	0.64	(.75, 3.26)	9.80	.00
Trial 2	-1.60	0.37	(-2.31, -.88)	19.10	.00
Trial 3	-0.95	0.62	(-2.16, .27)	2.32	.13
Trial 4	-0.82	0.61	(-2.02, .37)	1.83	.18

Note: N = 106 observations (from 55 reviewers).

Table 3

Parameters from Reviewer GEE Analysis (Model 2)

Variable	***B***	***SE B***	***95% CI***	***Odds Ratio***	***p***
Psychological Closeness (0 = stranger, 1 = friend)	-3.09	0.82	(-4.70, -1.48)	14.11	.00
Order (0 = stranger first, 1 = friend first)	2.96	0.80	(1.38, 4.53)	13.57	.00
Trial 2	-2.56	1.01	(-4.54, -0.58)	6.42	.01
Trial 3	-1.44	0.98	(-3.35, 0.48)	2.16	.14
Trial 4	-1.32	0.97	(-3.22, .57)	1.87	.17
RSC	0.95	0.57	(-0.15, 2.06)	2.85	.09
Psychological Closeness X RSC	-1.14	0.59	(-2.29, .01)	3.81	.05

Note: N = 104 observations (from 55 reviewers). Two observations were excluded from the model due to missing data on RSC.

Table 4

Objectivity Failures across Psychological Closeness Conditions

Condition	Number of Objectivity Failures within condition	Percentage of Objectivity Failures within condition
High Psychological Closeness[a]	41	24.4%
Low Psychological Closeness[b]	31	19.9%

Note: [a] 168 observations from 56 reviewers, [b]156 observations from 52 reviewers

Table 5

Parameters from Study 2 GEE analysis (Model 3)

Variable	***B***	***SE B***	***95% CI***	***Odds Ratio***	***p***
Condition (0 = low psych. closeness, 1 = high psych. closeness)	-0.26	0.15	(-0.55, 0.02)	5.88	.07
Trial 3	0.00	0.18	(-0.35, -0.35)	0.00	1.00
Trial 4	0.00	0.18	(-0.35, 0.35)	0.00	1.00

Note: 324 observations from 108 reviewers.

Table 6

Parameters from Study 2 GEE analysis (Model 4)

Variable	***B***	***SE B***	***95% CI***	***Odds Ratio***	***p***
Condition (0 = low psych. closeness, 1 = high psych. closeness)	-0.15	0.30	(-0.73, 0.43)	0.26	.61
Trial 3	0.00	0.36	(-0.71, 0.71)	0.00	1.00
Trial 4	0.12	0.36	(-0.58, 0.82)	0.11	.74
RSC	-0.05	0.18	(-0.40, 0.31)	0.06	.80
Condition X RSC	0.14	0.31	(-0.47, 0.75)	0.21	.65

Note: 291 observations from 97 reviewers. 33 observations were excluded from the model due to missing data on RSC for 11 reviewers.

Figure Captions

Figure 1. Conceptual model.

Figure 2. Predicted odds of objectivity failures from GEE analysis (Model 1; Study 1).

Figure 3. Predicted odds of objectivity failures from GEE analysis (Model 4; Study 2).

Figure 4. Likelihood of objectivity failures using RSC and psychological closeness (Study 3).

Figure 2

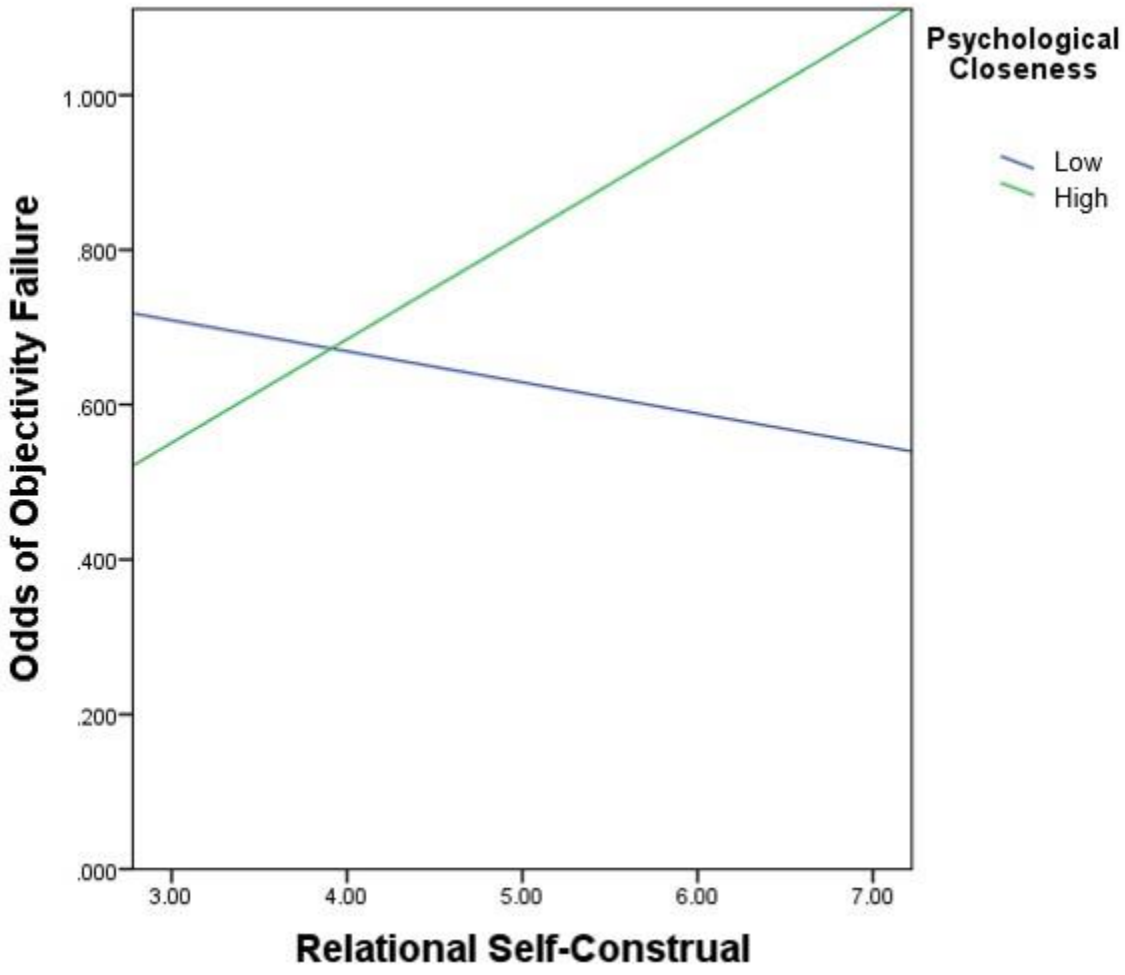

Psychological Closeness
Low
High
Odds of Objectivity Failure
1.000
.800
.600
.400
.200
.000
3.00
4.00
5.00
6.00
7.00
Relational Self-Construal

Figure 3

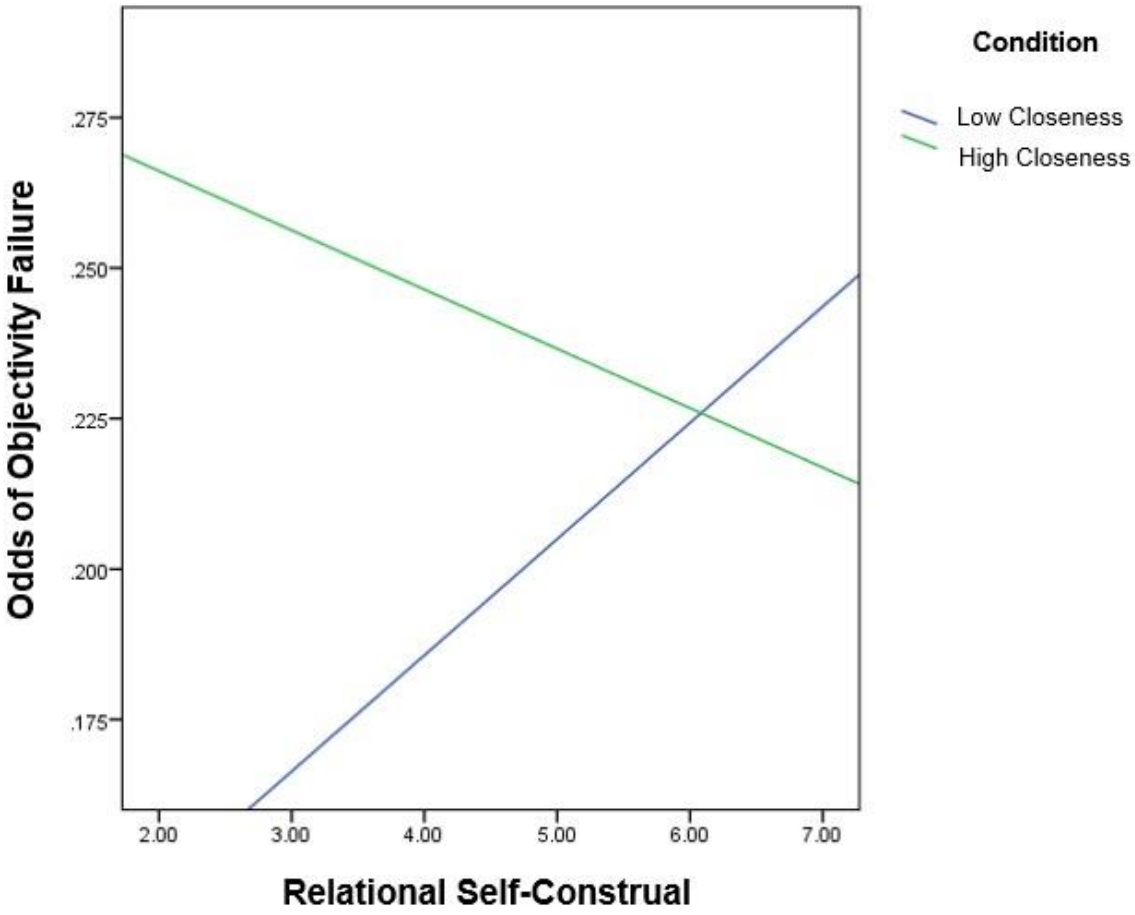
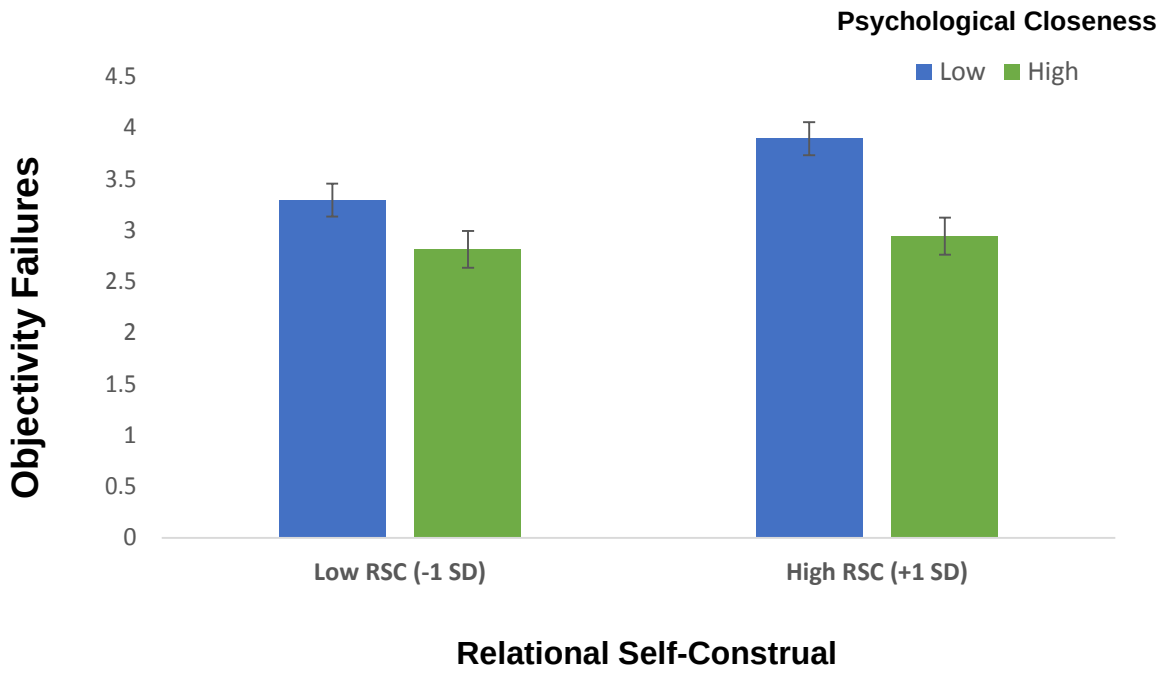

Condition
Low Closeness
High Closeness
Odds of Objectivity Failure
.275
.250
.225
.200
.175
2.00
3.00
4.00
5.00
6.00
7.00
Relational Self-Construal

Figure 4


Psychological Closeness
Low
High
Objectivity Failures
4.5
4
3.5
3
2.5
2
1.5
1
0.5
0
Low RSC (-1 SD)
High RSC (+1 SD)
Relational Self-Construal

Appendix A

Role Instructions - Reviewer

You have been assigned to the role of a reviewer. As the reviewer, your job is to examine whether a firm manager's income statements are accurate. Specifically, you will be asked to indicate whether you AGREE or DISAGREE with the income statements. You will receive a transaction analysis of the firm's earnings and expenses to help you prepare each income statement. You may use a calculator for this task. An example is provided below.

Example Transaction Analysis:

Transaction Analysis

Period 1

Earnings

Earnings: a*pproximately* $121.4 million

Expenses

Costs of sales: *approximately* $46.3 million
Marketing expenses: *approximately* $11.7 million
Other expenses: *approximately* $3.2 million
Interest: *approximately* $2.6 million
Tax: *approximately* $1.1 million
Total Expenses (add expenses): $___million

Net Income = Earnings – Total Expenses

Example Income Statement Prepared by the Manager:

Income Statement:

Period 1

	(In millions of $)
(+) Earnings	121.4
(-) Expenses	
Costs of sales	46.3
Marketing expenses	11.7
Other expenses	3.2
Interest	2.6
Tax	1.1
Total Expenses (add up expenses)	64.9
NET INCOME (Earnings-Total Expenses)	121.4 - 64.9 = **56.5**

Manager:

You will interact in the task twice—once with the person who came with you to the study and once with someone else. The two people you interact with in the task represent firm managers. The firm manager's job is to report the firm's earnings and expenses by preparing income statements. You must either AGREE or DISAGREE with each income statement the manager prepares.

Your decisions in each task will be visible to the manager you are currently interacting with.

Payment:

You will earn $0.75 for each income statement you review regardless of whether you AGREE or DISAGREE with the income statement. Managers will earn money for each income statement they prepare, but only if you **AGREE** with the income statement. If you **DISAGREE** with the income statement, **managers will not earn money for preparing that income statement (i.e., the manager will earn $0 for preparing that income statement). The manager may earn additional money by over-reporting income on an income statement,** but only if you **AGREE** with the income statement**.**

Oversight Committee:

Your decisions in each task may or may not be checked for accuracy by an oversight committee. **At the end of the study, after *all* tasks are complete**, the oversight committee will draw one card from a stack of ten cards for each manager-reviewer pair. There is one Jack in the stack of ten cards. The card drawn will determine whether the financial documents prepared by that pair will be checked for accuracy:

→ Income statement and review decision **WILL NOT** be checked

→ Income statement and review decision **WILL** be checked:

For each income statement that is inaccurate, the manager will be fined $0.75. For each review decision that is inaccurate, the reviewer will be fined $0.75.

There are no consequences for accurate performance.

Role Instructions – Firm Manager

You have been assigned to the role of a firm manager. As the manager, your job is to report your firm's earnings and expenses by preparing income statements. You will receive a transaction analysis of the firm's earnings and expenses to help you prepare each income statement. You may use a calculator for this task. An example is provided below.

Example Transaction Analysis:

Transaction Analysis

Period 1

Earnings

Earnings: a*pproximately* $121.4 million

Expenses

Costs of sales: *approximately* $46.3 million
Marketing expenses: *approximately* $11.7 million
Other expenses: *approximately* $3.2 million
Interest: *approximately* $2.6 million
Tax: *approximately* $1.1 million
Total Expenses (add expenses): $___million

Net Income = Earnings – Total Expenses

Example Income Statement Prepared by the Manager:

Income Statement:

Period 1

	(In millions of $)
(+) Earnings	121.4
(-) Expenses	
Costs of sales	46.3
Marketing expenses	11.7
Other expenses	3.2
Interest	2.6
Tax	1.1
Total Expenses (add up expenses)	64.9
NET INCOME (Earnings-Total Expenses)	121.4 - 64.9 = **56.5**

Reviewer:

You will interact in the task twice—once with the person who came with you to the study and once with someone else. The two people you interact with in the task represent reviewers. The reviewer's job is to check the income statements you prepare for accuracy. The reviewer will either AGREE or DISAGREE with each income statement.

Your decisions in each task will be visible to the reviewer you are currently interacting with.

Payment:

You will earn $0.75 for each income statement you prepare, but only if the reviewer AGREES with the income statement. If the reviewer **DISAGREES** with the income statement, you **will not earn money for preparing that income statement (i.e., you will earn $0 for preparing that income statement).**

You may earn an additional $0.25 for every $0.1 million in income that you over-report on the income statement, but only if the reviewer **AGREES** with the income statement. You may earn up $2.00 through over-reporting on each task.

Oversight Committee:

Your decisions in each task may or may not be checked for accuracy by an oversight committee. **At the end of the study, after *all* tasks are complete**, the oversight committee will draw one card from a stack of ten cards for each manager-reviewer pair. There is one Jack in the stack of ten cards. The card drawn will determine whether the financial documents prepared by that pair will be checked for accuracy:

→ Income statement and review decision **WILL NOT** be checked

→ Income statement and review decision **WILL** be checked:

For each income statement that is inaccurate, the manager will be fined $0.75. For each review decision that is inaccurate, the reviewer will be fined $0.75.

There are no consequences for accurate performance.

Task Instructions

In this task, a firm manager will prepare two income statements. A reviewer will examine these income statements for accuracy. If you wish to communicate, please do so on the computer. You may not communicate verbally. You will earn money based on your decisions in this task. This is in addition to either the credit or $5 you will receive for participating.

Step 1 - Parts of the task relevant to the MANAGER will be marked in blue.
Step 2 - Parts of the task relevant to the REVIEWER will be marked in yellow.
Step 3 - The manager will begin by preparing an income statement. After the manager is FINISHED preparing the income statement, the reviewer will examine the income statement for accuracy.
Step 4 - After the reviewer is FINISHED examining the income statement for accuracy, the manager and the reviewer should move on to the second financial period.
Step 5- When the manager and the reviewer have finished both periods, please raise your hands.
When you are ready, you may begin the task by clicking on the excel sheet titled, 'Period 1' at the bottom of the screen.

Appendix B

Exploratory Demographic Analyses

Study 1

In Study 1, I explored whether the demographic characteristics of participants and their partners influenced the hypothesized predictors—psychological closeness and RSC.

Treatment of Variables

For the demographic characteristics, I standardized Age and Manager Age to z-scores. I also computed demographic variables for gender and race across reviewers and managers. Both Gender and Manager Gender were coded as 0 = male, 1 = female. I created dummy coded contrasts for the racial categories (White/Caucasian, Black/African American, Hispanic, Asian, and Other/Multi-racial) across reviewers and managers. Because Asians were represented more than any other racial group for each role (both > 65%), I used Asian as the reference group for all contrasts. The dummy coded variables for reviewer race were 1) Race-White, 2) Race-Black, 3) Race-Hispanic, and 4) Race-Other/Multiracial. The dummy coded variables for manager race were 1) Manager Race-White 2) Manager Race-Black, 3) Manager Race-Hispanic, and 4) Manager Race-Other/Multiracial.

Initial testing of the racial categories revealed that the combination of these categories perfectly predicted Objectivity Failures, resulting in complete separation of the data. In response, I collapsed the categories that were least represented in the sample (i.e., Black/African American, Hispanic, and Other/Multi-racial) and recoded them into one category for reviewers (called ‘Race-Other’) and one category for managers (called ‘Manager Race-Other’). In their

final form, the racial categories included in the analyses were: Race-White, Race-Other, Manager Race-White and Manager Race-Other.

Results

For exploratory purposes, I conducted the GEE from Model 1 including demographic characteristics (referred to as *Model 1A*). I added the following demographic terms to the model: Gender, Age, Race-White, Race-Other, Manager Gender, Manager Age, Manager Race-White, and Manager Race-Other. I also included interactions that could be expected to influence the results, such as interactions between psychological closeness and reviewer demographic characteristics (i.e., Psychological Closeness X Gender, Psychological Closeness X Age, Psychological Closeness X Race-White, Psychological Closeness X Race-Other), and certain interactions between reviewer and manager demographic characteristics (i.e., Gender X Manager Gender, Age X Manager Age, Race-White X Manager Race-White). None of these effects were significant when added to the model.

Next, I conducted the GEE analysis from Model 2 with demographic characteristics included in the model (referred to as *Model 2A*). The model consisted of the demographic main effects from Model 2 as well as interactions that could be expected to influence the results. Specifically, I included two-way interactions between RSC and reviewer demographics (i.e., RSC X Gender, RSC X Age, RSC X Race-White and RSC X Race-Other), two-way interactions between manager and reviewer demographic characteristics (i.e., Gender X Manager Gender, Age X Manager Age, Race-White X Manager Race-White), and three-way interactions between RSC, Psychological Closeness, and reviewer demographics (i.e., RSC X Psychological Closeness X Gender, RSC X Psychological Closeness X Age, RSC X Psychological Closeness X Race-White, RSC X Psychological Closeness X Race-Other). After initial testing, I removed the

three-way interactions from the GEE model because these variables caused complete separation of the data (most likely due to the relatively small sample size and large number of terms included in this model). The rest of the variables remained in the model.

Results revealed that the effect of Race-White on objectivity failures was marginal. White reviewers were marginally less likely to allow overreporting (M = .63, SD = .13) compared to Asian reviewers (M = .81, SD = .04). Consistent with the finding from Model 1, the effects of Psychological Closeness, Order, and Trial 2 were significant. The effects of Trials 3 and 4 were also significant—reviewers were more likely to allow overreporting during Trials 3 and 4 as compared to the first trial. The remaining variables were nonsignificant.

Study 2

In Study 2, I examined whether the demographic characteristics of participants and their partners in the study influenced the effects of psychological closeness and RSC.

Treatment of Variables

The demographic variables were coded in the same way as Study 1. Because participants believed they were interacting with their partner from the study, I included partner demographic characteristics (i.e., partner gender, partner age, and partner race) in my analyses. Because Asians were represented more than any other racial group (> 49%), I used Asian as the reference group for all dummy coded racial contrasts. Although I did not hypothesize effects for any of the demographic characteristics, I examined their influence on the hypothesized variables for exploratory purposes.

Results

I performed the GEE from Model 3 (referred to as *Model 3A*) to explore the effects of the demographic characteristics on psychological closeness and objectivity failures. The GEE model

included the following terms: Condition, Trial 3, Trial 4, Gender, Age, Race-White, Race-Other, Partner Gender, Partner Age, Partner Race-White, and Partner Race-Other. I also included certain two-way interactions that could be expected to influence the results, including interactions between experimental condition and participant demographic characteristics (i.e., interactions between experimental condition and participant demographic characteristics (i.e., Condition X Gender, Condition X Age, Condition X Race-White, Condition X Race-Other) and interactions between participant and partner demographics (i.e., Gender X Partner Gender, Age X Partner Age, Race-White X Partner Race-White, Partner Race-Other X Partner Race-Other).

Results revealed that the effect of Race-Other significantly predicted objectivity failures and the effect of Race-White was marginal. Participants who were Black/African American, Hispanic, or Latino were more likely to commit objectivity failures (M = .33, SD = .06) compared to Asian participants *(*M = .20, SD = .03); however, Asian participants were marginally more likely to commit objectivity failures (M = .24, SD = .03) compared to White participants (M = .18, SD = .04). For the partner demographic characteristics, the effects of Partner Age and Partner Race-White were significant. A scatterplot diagram indicated that as Partner Age increased, objectivity failures increased. In addition, participants were more likely to commit objectivity failures when their partner was White (M = .31, SD = .05) compared to when their partner was Asian (M = .18, SD = .03).

The effects of Condition X Race-Other, Age X Partner Age, and Race-White X Partner Race-White also emerged as significant. Plotting these results revealed that Black/African American, Hispanic or Other/Multi-racial participants in the high psychological closeness condition were more likely to commit objectivity failures compared to their counterparts in the low psychological closeness condition. In addition, older participants were more likely to

commit objectivity failures when their partner was older. Finally, objectivity failures were highest when Asian participants were paired with a partner who was White.

Next, I performed a GEE (referred to as *Model 4A*) to explore the effects of demographic characteristics on RSC and psychological closeness. The model included the variables from Model 4, the demographic variables (but not interactions) from Model 1A, and certain two-way and three-way interactions that were theoretically relevant. The interaction terms added to the model were: Condition X RSC, RSC X Gender, RSC X Age, RSC X Race-White, RSC X Race-Other, Gender X Partner Gender, Age X Partner Age, Race-White X Partner Race-White, Condition X RSC X Gender, Condition X RSC X Age, Condition X RSC X Race-White, and Condition X RSX Race-Other. Initial testing of the model revealed that the inclusion of the three-way interactions led to complete separation of the data (possibly due to the small number of observations for each cell in the interactions). As a result, I removed these interactions from the analyses.

Results revealed that the effect of Partner Age was significant. The effects of Partner Race-White and Partner Race-Other were marginal. Among the interactions, significant effects were discovered for RSC X Age and Race-Other X Partner Race-Other. Further inspection by graphing these interactions revealed that older participants who were high in RSC were most likely to commit objectivity failures. In addition, Black/African American, Hispanic, or Other/Multi-racial participants were more likely to commit objectivity failures when their partner was Black/African American, Hispanic, or Multi-racial. The remaining variables were nonsignificant.

Study 3

In Study 3, I explored whether participant demographic characteristics influenced the relationship between psychological closeness and RSC.

Treatment of Variables

First, I standardized both RSC and participant Age to z-scores. I also created demographic variables for gender and race. Gender was coded as 0 = male, 1 = female. I created dummy- coded contrasts for the racial categories (White/Caucasian, Black/African American, Hispanic, Asian, & Other/Multi-racial), with White/Caucasian as the reference group for all contrasts because it was the largest racial group represented in the sample. The three dummy-coded race variables I created were: Race-Black, Race-Asian, and Race-Other. The Race-Other category consisted of participants who identified with any race other than White, Black, or Asian. Unlike prior studies, I included Hispanic as part of the Race-Other category instead of as a separate category because there were a very small number of participants (n=2) who identified as Hispanic in the sample. Although I did not make any predictions for the demographic characteristics, I examined their effects on RSC and psychological closeness for exploratory purposes.

Results

I conducted a one-way repeated measures ANCOVA to explore whether the demographic variables influenced the effects of the hypothesized variables (i.e., RSC and psychological closeness). The variables included in the model were: Psychological Closeness (high or low), RSC, Gender, Age, Race-Black, Race- Asian, and Race-Other. I also included two-way and three-way interactions that might be expected to influence the results. The two-way interactions that I included in the model were: Psychological Closeness X RSC, Psychological

Closeness X Gender, Psychological Closeness X Age, Psychological Closeness X Race-Black, Psychological Closeness X Race-Asian, and Psychological Closeness X Race-Other. The three-way interactions that I included in the model were: Psychological Closeness X RSC X Gender, Psychological Closeness X RSC X Age, Psychological Closeness X RSC X Race-Black, Psychological Closeness X RSC X Race-Asian, and Psychological Closeness X RSC X Race-Other.

Results indicated that Psychological Closeness significantly predicted blowing the whistle, ($F(1,126) = 18.36$, $p < .001$). The effect of Psychological Closeness X Asian ($F(1,126) = 3.29$, $p = .07$) was marginally significant. The remaining variables in the model were nonsignificant. Further inspection of the Psychological Closeness X Asian interaction through graphing indicated that Asian (vs. White) participants were marginally less likely to report wrongdoing when participants were high in psychological closeness to the perpetrator.

Study 4

Finally, in Study 4, I explored whether gender, the only demographic variable measured in the study, influenced the effects of psychological closeness and RSC. Gender was coded as 0 = male, 1 = female.

Results

I conducted a one-way repeated measures ANCOVA controlling for the effect of gender. This analysis included the same terms from the ANOVA model with the addition of Gender as a covariate. The results replicated the findings from the ANOVA—that is, the effect of Psychological Closeness was significant ($F(1,93) = 88.92$, $p < .001$) and the remaining variables were nonsignificant.

Appendix C

Sharing Game

Instructions (please both read carefully before continuing):
This is a study of interpersonal closeness, and your task, which we think will be quite enjoyable, is simply to get close to your partner. We believe that the best way for you to get close to your partner is for you to share with them and for them to share with you. Of course, when we advise you about getting close to your partner, we are giving advice regarding your behavior in this study session only, we are not advising you about your behavior outside of this study session.
In order to help you get close, we've arranged for the two of you to engage in a kind of sharing game. You're sharing time will be for about twenty minutes, after which time we will ask you to answer questions concerning your experience of getting close to your partner.
You have been given a set of questions. As soon as you both finish reading these instructions, you should begin with the first question. One of you should read aloud the first question and then **BOTH** do what it asks, starting with the person who read the question aloud. When you are both done, go on to the second question—one of you reading it aloud and both doing what it asks.
As you go through the questions, one at a time, please don't skip any questions—do each in order. Alternate who reads the question aloud (and thus goes first).
You will be informed when to move on to the next part of the study. It is not important to finish all the questions within the 20 minute time period. Take plenty of time with each question, doing what it asks thoroughly and thoughtfully.
You may begin!

Questions for High Psychological Closeness Condition

1. What do you value most in a friendship?
2. What is your most treasured memory?
3. What is your most terrible memory?
4. If you knew that in one year you would die suddenly, would you change anything about the way you are now living? Why?
5. What does friendship mean to you?
6. What roles do love and affection play in your life?
7. Alternate sharing something you consider a positive characteristic of your partner. Share a total of 5 items.
8. How close and warm is your family? Do you feel your childhood was happier than most other people's?
9. How do you feel about your relationship with your mother?
10. Make 3 true "we" statements each. For instance, "We are both in this room feeling…"
11. Complete this sentence: "I wish I had someone with whom I could share…"
12. If you were going to become close with your partner, please share what would be important for him or her to know.

13. Tell your partner what you like about them; be very honest this time saying things that you might not say to someone you've just met.
14. Share with your partner an embarrassing moment in your life.
15. When did you last cry in front of another person? By yourself?
16. What, if anything, is too serious to be joked about?
17. If you were to die this evening with no opportunity to communicate with anyone, what would you most regret not having told someone? Why haven't you told them yet?
18. Your house, containing everything you own, catches fire. After saving your loved ones and pets, you have time to safely make a final dash to save any one item. What would it be? Why?
19. Of all the people in your family, whose death would you find most disturbing? Why?
20. Share a personal problem and ask your partner's advice on how he or she might handle it. Also, ask your partner to reflect back to you how you seem to be feeling about the problem you have chosen.

Questions for Low Psychological Closeness Condition

1. Tell the names and ages of your family members, including grandparents, aunts and uncles, and where they were born (to the extent you know this information).
2. One of you say a word, the next say a word that starts with the last letter of the word just said. Do this until you have said 25 words. Any words will do—you aren't making a sentence.
3. Do you like to get up early or stay up late? Is there anything funny that has resulted from this?
4. Where are you from? Name all of the places you've lived.
5. What did you do this summer?
6. Who is your favorite actor of your own gender? Describe a favorite scene in which this person has acted.
7. What is the best TV show you've seen in the last month that your partner hasn't seen? Tell your partner about it.
8. What is your favorite holiday? Why?
9. Where did you go to high school? What was your high school like?
10. What is the best book you've read in the last three months that your partner hasn't read? Tell your partner about it.
11. What foreign country would you most like to visit? What attracts you to this place?
12. Do you prefer digital watches and clocks or the kind with hands? Why?
13. Describe your mother's best friend.
14. What are the advantages and disadvantages of artificial Christmas trees?
15. How often do you get your hair cut? Where do you go? Have you ever had a really bad haircut experience?
16. Did you have a class pet when you were in elementary school? Do you remember the pet's name?

17. Do you think left-handed people are more creative than right-handed people?
18. What is the last concert you saw? How many of that band's albums do you own? Had you seen the before? Where?
19. Do you subscribe to any magazines? Which ones? What have you subscribed to in the past?
20. Were you ever in a school play? What was your role? What was the plot of the play? Did anything funny ever happen when you were on stage?

Appendix D

Pilot Studies

Pilot Study 1

Pilot Study 1 tested whether RSC significantly influenced the relationship between psychological closeness and objectivity failures. I operationalized objectivity failures in this study as hypothetically allowing a client to overreport income on a financial statement.

Method

Participants

One hundred and eleven individuals (M_{age} = 24.34, SD_{age} = 10.93; 47 male) participated in a two-part online study for either course credit or entry into a lottery for a $25 Amazon.com gift card. Participants' chosen form of compensation was not related to their behavior in the study.

The sample was 45.9% White, 3.6% Black, 45.0% Asian, 0.9% Hispanic, and 1.8% other (e.g., American Indian, multiracial). Three participants (2.7%) were missing information for race (as well as for gender and age).

Design and Procedure

Part I. The first part of the study began with an online survey in which participants completed a 20 minute personality questionnaire including Relational-Interdependent Self-Construal (Cross et al., 2000), basic demographics (i.e., gender, age, race), and additional personality measures and questions not relevant to the current study. Based on the survey responses, those participants with an RSC score below the interquartile range (low RSC; 4.64 or

less) or an RSC score above the interquartile range (high RSC; 5.80 or greater) were invited to participate in separate online survey.

Part II. In the second part of the study, participants completed a separate online survey consisting of a hypothetical audit scenario in which they discovered that a client with whom they were close had overreported on an income statement (see, Saad, Hoos, & Lesage, 2013 for a similar auditing vignette). The audit scenario read:

> "Imagine that you are an auditor who has performed auditing services for a firm manager, Mr. Smith. As the auditor, your job is to examine whether Mr. Smith's income statements are accurate. You view Mr. Smith as your most important client. You have been providing auditing services for his firm and have been working with him for two years. You interact with Mr. Smith at work and outside of work, and you are very close.
>
> One day, as you are reviewing the income statement for Mr. Smith's firm, you realize that he has significantly overstated the firm's income. In particular, Mr. Smith fully accounted for revenue from a customer that should have been spread across several years instead of all at once during the current pay period. This is the first time that you have reviewed a questionable financial statement from Mr. Smith. You approach him about the error, but after discussion, Mr. Smith insists the misstatement is non-material. Additionally, he tells you that the misstatement, although minor, will help his firm look more attractive in the financial market and would help him personally."

After reading the scenario, participants were asked to choose between one of two hypothetical responses to the scenario: 1) agree with Mr. Smith's income statement, or 2) disagree with Mr. Smith's income statement. After indicating their choice, participants explained the rationale behind their decision in a comment box. Finally, participants had the opportunity to provide general comments about the study before exiting the survey.

Results and Discussion

Participants' decision in the audit scenario ('Decision') was coded as 0 = disagree with Mr. Smith's income statement, 1 = agree with Mr. Smith's income statement. Contrary to the hypothesis, Decision was not related to RSC, $r(111) = -.10$, $p = .28$. Further inspection of the audit scenario revealed that twenty participants (18.0%) disagreed with Mr. Smith whereas ninety-one participants (82.0%) agreed with Mr. Smith. Due to the lack of response variability, modifications were made to the audit scenario in the next pilot study.

Pilot Study 2

In this pilot study, I tested a modified version of the audit scenario to examine whether RSC moderated psychological closeness and objectivity failures.

Method

Participants

Eighty-seven individuals participated in a five minute online survey for a small payment on Amazon MTurk. No demographic information was collected in this study. Unlike the previous pilot study, which was completed in two parts, this study was completed in one online survey.

Design and Procedure

The survey began by assessing participants' Relational-Interdependent Self-Construal (Cross et al., 2000). Next, participants were presented with a modified version of the audit scenario from Pilot Study 1. The modified scenario read:

> "Imagine that you are an auditor whose job is to examine whether a client's financial statements are accurate. You currently perform auditing services for a firm manager, Mr. Smith. A picture of him is below.

You view Mr. Smith as your most important client. A large portion of your business stems from working with him. You frequently interact with Mr. Smith at work. In addition, you go out for drinks or golf with him at least once a month. The two of you are very close.

One day, as you are reviewing a financial statement for Mr. Smith's firm, you realize that he has overstated the firm's revenue. In particular, Mr. Smith fully accounted for revenue from a customer that should have been spread across several years instead of all at once during the current pay period. Out of the many years that you have worked with Mr. Smith, this is the first time you have encountered a questionable financial statement. You approach him about the issue, but after discussion, Mr. Smith insists that the misstatement is not material and does not significantly influence the financial statement as a whole. You know that overstating revenue is inappropriate, however you also respect Mr. Smith's opinion and value the good relationship you have with him and his firm."

After reading the scenario, participants were asked to indicate whether they disagreed or agreed with Mr. Smith's income statement. After indicating their choice, participants explained the rationale behind their decision in a comment box and had an opportunity to provide general comments before leaving the survey.

Results and Discussion

Participants' decision in the audit scenario ('Decision') was coded as 0 = disagree with Mr. Smith's income statement, 1 = agree with Mr. Smith's income statement. Contrary to the

hypothesis, participants' response to the audit scenario was not related to RSC, $r(87) = -.10$, $p = .37$. Further investigation revealed that seventy-nine participants (90.8%) disagreed with Mr. Smith whereas eight participants (9.2%) agreed with Mr. Smith. Due to the lack of response variability in the audit scenario, further modifications were made to the scenario in the next pilot study.

Pilot Study 3

This pilot study tested a modified version of the audit scenario from Pilot Study 2 in order to examine the relationship between RSC, psychological closeness, and objectivity failures.

Method

Participants

One-hundred and forty-five individuals ($M_{age} = 32.68$, $SD_{age} = 10.84$; 93 male) participated in a five minute online survey for a small payment on Amazon MTurk. The sample was 67.6% White, 7.6% Black, 13.1% Asian, 5.5% Hispanic, and 6.2% other (e.g., American Indian, multiracial).

Design and Procedure

Participants began the survey by completing the Relational-Interdependent Self-Construal scale (Cross et al., 2000). After the personality measure, participants answered demographic questions (i.e., gender, age, race) and one attention check. Next, participants were presented with a modified version of the audit scenario from Pilot Study 2. The modified scenario read:

> "Imagine that you are an auditor who has performed auditing services for a firm manager, Mr. Smith. As the auditor, your job is to examine whether Mr. Smith's income statements are accurate.

You view Mr. Smith as your most important client. A large portion of your business stems from working with him. You frequently interact with Mr. Smith at work and take him golfing and out for drinks every few months. The two of you are very close. A picture of Mr. Smith is below.

One day, as you are reviewing an income statement for Mr. Smith's firm, you realize that he has overstated the firm's revenue. In particular, Mr. Smith fully accounted for revenue from a customer that should have been spread across several years instead of all at once during the current pay period. You have heard from other auditors that clients sometimes overstate revenues in order to earn extra money for themselves and make the firm appear more profitable that it actually is. This is the first time you have come across this issue.

You approach Mr. Smith about the overstatement of revenue, and he insists that it is not material. He argues that the overstatement of revenue is inconsequential to the audit, even though he acknowledges it could help him personally. You wish to maintain a good relationship with Mr. Smith and his firm. After all, it is Mr. Smith who is paying you for the audit.

You must make a decision about whether to approve or reject the income statement. **If you approve the statement**, Mr. Smith and the firm will be viewed favorably, and it would help you maintain your positive relationship with Mr. Smith and the firm. **If you reject the statement**, shareholders will be made aware of the decision and it could negatively affect Mr. Smith and the firm. Rejecting the statement would damage the close friendship that you and Mr. Smith have developed, and would also harm your working relationship with him and his firm."

After reading the scenario, participants were asked to indicate the extent to which they disapproved or approved Mr. Smith's income statement on a five-point bipolar scale (1 = *Definitely disapprove*, 5 = *Definitely approve*). After indicating their decision, participants had an opportunity to provide general comments about the study before exiting the survey.

Results and Discussion

Contrary to the hypothesis, participants' decision the audit scenario was not related to RSC, $r(145) = .04$, $p = .67$. Further inspection of the audit scenario revealed that seventy-four participants (51.1%) definitely disagreed or probably disagreed with Mr. Smith, 57 participants (39.3%) definitely agreed or probably agreed with Mr. Smith, and 14 participants (9.7%) were undecided. Although the response variability in the audit scenario improved compared to prior versions (i.e., Pilot Studies 1 and 2), the lack of significant results led to a change in the study design. That is, I adopted a different measure of objectivity failures in future studies (i.e., Studies 3 and 4).

Pilot Study 4

In Pilot Study 4, I tested a new manipulation of RSC that I developed. Specifically, I tested whether temporarily reduced RSC influenced the relationship between psychological closeness and objectivity failures.

Method

Participants

Ninety-eight individuals ($M_{age} = 33.89$, $SD_{age} = 11.53$; 55 male) participated in a six-minute online study for a small payment on Amazon MTurk. The sample was 50.0% White, 3.1% Black, 37.8% Asian, 3.1% Hispanic, and 6.1% other (e.g., American Indian, multiracial).

Design & Procedure

To begin, participants completed a brief writing task that I developed to experimentally manipulate RSC. Directly after the writing task manipulation, participants answered questions assessing Relational-Interdependent Self-Construal (Cross et al., 2000) and basic demographics (i.e., gender, age, race).

RSC Manipulation

Participants were randomly assigned to one of two experimental conditions: high RSC versus low RSC. The RSC manipulation was based on a writing task by Goncalo and Staw (2005) in which participants were primed to adopt individualistic or collectivistic attitudes. In the original task, participants were asked to write about specific instances when they behaved in ways consistent with values underlying individualism (such as being independent) or collectivism (such as collaborating with others). Because the current study focused on activating high and low levels of RSC, I modified the writing task so that participants wrote about specific instances when they behaved in ways consistent with or not consistent with values underlying RSC.

Specifically, participants in the *high RSC* condition were instructed to write 1) three statements describing the people they feel close to, such as close friends or family, 2) three statements describing how they are similar to the people they feel close to, and 3) three statements describing why the people they feel close to are an important part of who they are. Those in the *low RSC* were asked to write 1) three statements describing themselves, 2) three statements describing how they are different from the people they feel close to, such as close friends or family, and 3) three statements describing why standing out and being their own person is an important part of who they are.

After finishing the writing task, participants completed the Relational-Interdependent Self-Construal scale (Cross et al., 2000). Next, participants were asked to indicate their gender, age, and race. Lastly, participants had the opportunity to provide general comments about the study.

Results and Discussion

Contrary to the hypothesis, participants in the low RSC condition did not report significantly lower levels of RSC (M = 4.70, SD = 1.33) compared to participants in the high RSC condition (M = 5.07, SD = 1.00), $t(96) = -1.50$, $p = .14$. Due to the lack of significant results, the manipulation of RSC was dropped from the research and a different manipulation was developed and used.

Pilot Study 5

This pilot study tested a new manipulation of RSC and examined whether temporarily reduced RSC moderated psychological closeness and objectivity failures.

Method

Participants

One hundred and twenty-two individuals (M_{age} = 33.89, SD_{age} = 11.53; 67 male) participated in an online study for a small payment on Amazon MTurk.

Design & Procedure

Participants began the study by completing a newly developed writing task which manipulated RSC; next, they were presented with the Relational-Interdependent Self-Construal scale (Cross et al., 2000).

RSC Manipulation

Participants were randomly assigned to one of two experimental conditions: high RSC versus low RSC. Similar to Pilot Study 4, the goal of this experimental manipulation was to prime participants to uphold attitudes consistent with or inconsistent with RSC. Specifically, those in the *high RSC* condition were instructed to write an essay convincing somebody else that their close relationships are an important part of who they are. Participants in the *low RSC* condition were instructed to write an essay convincing somebody else that their close relationships (e.g., close friends, family) are not an important part of who they are.

Participants in both conditions were instructed to work on the survey for five minutes (after which they would automatically transition to the next part of the survey) and were allowed to use additional resources, such as the internet or news articles, to build their case. As an incentive to do well on the task, all participants were told that their essay, and one randomly selected essay with an opposing viewpoint would be presented to future study participants, who would choose which essay was more persuasive. If their essay was chosen, participants entered into a lottery for a $25 Amazon.com gift card. One participant won the $25 Amazon.com gift card.

After completing the writing task, participants answered the Relational-Interdependent Self-Construal (Cross et al., 2000). Finally, participants were asked to indicate their gender and age.

Results and Discussion

As predicted, participants in the high RSC condition reported significantly higher levels of RSC (M = 5.22, SD = 1.09) than those in the low RSC condition (M = 4.35, SD = 1.26), $t(120) = -4.08$, $p < .001$. In sum, individuals who were primed to adopt attitudes consistent with RSC

reported higher levels of RSC and individuals who were primed to adopt attitudes inconsistent with RSC reported lower levels of RSC. This finding provides preliminary support for the experimental manipulation of RSC that I developed.