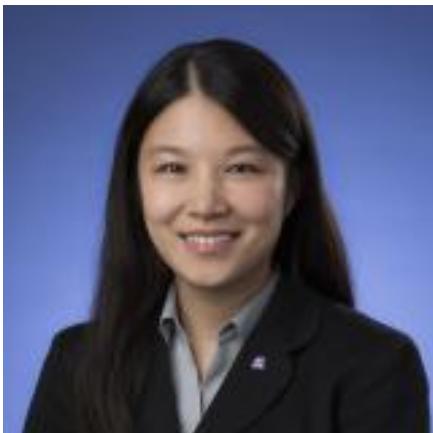


Seminar
“The Cooperative Consequences of Contests”

(in English)



Professor LIEN, Jaimie
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Department of Decision Sciences &
Managerial Economics
The Chinese University of Hong Kong

Date: 2 February 2018 (Friday)

Time: 10:00am – 11:30am

Venue: WYL314, Dorothy Y. L. Wong Building

Abstract: Although contests are theoretically recognized as a highly effective method of motivation when resources are limited, recent studies (Carpenter, Matthews and Schirm, 2010; Buser and Dreber, 2016) suggest that the competitive nature of contests may induce negative behavioral externalities in other domains. Using a laboratory experiment of real effort contests with treatments varying by prize structure, we test the effect of different types of contests and their outcomes on pro-social behavior in classic games. Within-person effects of the contest on behavior in the prisoner’s dilemma, trust game and public goods game are assessed. Across subjects, we examine the relative impacts of standard all-pay auction contests, Tullock contests with probabilistic winning, proportional prizes and piece rate payment with social comparison. While pro-sociality generally decreases after a competition, it decreases most significantly in the proportional contest and piece rate with social comparison settings, driven mostly by greater anti-social action taken in the prisoner’s dilemma and trust games. Our study has managerial consequences for the structure incentives in the workplace when a combination of competition and cooperation is needed among workers.

Biography: Jaimie Lien is Assistant Professor in the Department of Decision Sciences and Managerial Economics, The Chinese University of Hong Kong. Her primary research areas are behavioral and experimental economics, with recent work on risk preferences, belief biases, strategic reasoning and self-control. Jaimie was a co-founder of the Economic Science and Policy Experimental Laboratory (ESPEL) at School of Economics and Management, Tsinghua University, where she worked as Assistant Professor since 2010. She obtained a Ph.D. and M.A. in Economics from University of California, San Diego, and a B.A. in Economics and Mathematics from Wellesley College. She has previously worked as an Associate Economist in the Research Department of the Federal Reserve Bank of Chicago.

All Are Welcome

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