



FRIEDRICH-ALEXANDER  
UNIVERSITÄT  
ERLANGEN-NÜRNBERG

SCHOOL OF BUSINESS  
AND ECONOMICS

CHAIR OF ECONOMICS AND  
ECONOMIC THEORY

Prof. Dr. Veronika Grimm

## Seminar on behavioral economics: Behavioral economics at the workplace

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The working environment is subject to constant change and challenges. The digitization of the workplace and the necessity to find new ways to organize work, e.g., by working from home, are among the latest developments that have been accelerated by the ongoing pandemic. But also other topics within this research area that have been discussed in the literature for decades are still highly relevant, e.g., wages, gender differences, and teamwork. In the summer term 2021 the chair of Economic Theory of Prof. Dr. Grimm offers a behavioral economics seminar focusing on the impact of behavioral aspects at the workplace.

The seminar is intended for both Bachelor and Masters students in economics and is open to students of related fields (e.g. business studies, socioeconomics, ...) and exchange students who possess sufficient knowledge of microeconomics. Topics for the term papers (see list at the end of this document) will be assigned at the organizational meeting on April 15<sup>th</sup>.

### Virtual organizational meeting

**Thursday, April 15<sup>th</sup> at 15:00 pm**

Participants have to write a seminar paper (15 pages +/-1), present their paper and participate in the general discussion during the seminar meetings. All seminar related activities (term paper, presentations and discussions) will be in English.

The deadline for the submission of term papers is **June 30<sup>th</sup>, 23:59 pm**. Seminar presentations and discussions will take place in calendar week 27. You can also find a document with additional details regarding the requirements for the term paper and general guidelines for writing scientific papers on our homepage.

Please register for the virtual organizational meeting with an email to

[michael.seebauer@fau.de](mailto:michael.seebauer@fau.de)

**until April 14<sup>th</sup> noon**

(include your name, student ID and field of study).

Only by registering in advance we can provide you with the necessary information to participate in the organizational meeting. We also advise you to register for this seminar on StudOn to regularly receive important information and updates about the seminar.

Please also send us a list of your (three) preferred topics before the organizational meeting (by April 14<sup>th</sup> the latest). We will try to match all applicants to the topics according to their preferences as good as possible. Please note that the number of seminar participants is limited. If you have additional questions please also contact Michael Seebauer directly. The seminar will be credited as “Seminar Behavioral Economics” for Masters students, and as “Seminar Verhaltensökonomische Grundlagen” or “Seminar zur Wirtschaftstheorie” for Bachelor students. Successful participation in the seminar is one way of qualifying for writing a Master thesis at the Chair of Economic Theory.

## Rules of the game

Your grade for the seminar will be built from three parts: (1) your paper on the assigned topic, (2) the presentation of your paper at the seminar meeting, and (3) your participation in the general discussions during the meeting.

Students are expected to build on the provided references to conduct independent research of the literature. The term paper should summarize the main findings and contributions of the existing literature and discuss the underlying research question (formulated by the student) using the provided **and additional** literature. The provided references only constitute a guidance for your own research. The paper has to be written in English, with font size 12, 1½ line spacing and appropriate margins. The term paper is limited to 15 pages (+/- 1 page), plus a table of contents, a list of figures, a list of tables, the used references and an appendix. (See also our general guidelines for writing scientific papers "*Guidelines for the preparation of term papers and bachelor/master theses*", which you can find in the subsection "Thesis" on our English homepage.)

With his or her topic each student is assigned a supervisor, who will be the contact person regarding the exact content (and form) of the term paper. A rough outline of the paper should be discussed with the assigned supervisor before the paper is written. All students are required to meet their supervisor at least once **before April 30<sup>th</sup>**. A failure to meet the supervisor may result in the exclusion of the student from the seminar.

The deadline for paper submission for all participants is: **Friday, June 30<sup>th</sup> at 23.59 pm**. Each student will present his or her term paper in a presentation. The paper presentations and discussions will take place in calendar week 27. The number of seminar meetings depends on the number of students that submit a term paper. You have to be present at all seminar meetings.

More information regarding the exact dates, times and place, as well as the exact (time) requirements for the presentations will follow at a later point.

## List of Topics

### **1. Fair wages and minimum wages**

Abeler, J., Altman, S., Kube, S., and Wibral, M., (2010). Gift Exchange and Workers' Fairness Concerns: When Equality is Unfair. *Journal of the European Economic Association* 8(6), 1299-1324.

Gächter, S., and Thöni, C., (2010). Social comparison and performance: Experimental evidence on the fair wage-effort hypothesis. *Journal of Economic Behavior & Organization* 76(3), 531-543.

Falk, A., and Huffman, D., (2007). Studying Labor Market Institutions in the Lab: Minimum Wages, Employment Protection, and Workforce. *Journal of Institutional and Theoretical Economics* 163(1), 30-45.

### **2. Worker incentives**

Shearer, B. (2004). Piece rates, fixed wages and incentives: Evidence from a field experiment. *The Review of Economic Studies*, 71(2), 513-534.

Bellemare, C., & Shearer, B. (2009). Gift giving and worker productivity: Evidence from a firm-level experiment. *Games and Economic Behavior*, 67(1), 233-244.

Cohn, A., Fehr, E., & Goette, L. (2015). Fair wages and effort provision: Combining evidence from a choice experiment and a field experiment. *Management Science*, 61(8), 1777-1794.

### **3. Team incentives**

Bandiera, O., Barankay, I. and Rasul, I., (2013). Team incentives: Evidence from a Firm Level Experiment. *Journal of the European Economic Association* 11(5), 1079-1114.

Friebel, G., Heinz, M., Krueger, M, and Zubanov, N. (2017). Team Incentives and Performance: Evidence from a Retail Chain. *American Economic Review*, 107(8), 2168-2203.

### **4. Peer effects and peer pressure**

Mas, A., and Moretti, E., (2009). Peers at Work. *American Economic Review* 99(1), 112-145.

Falk, A., and Ichino, A., (2006). Clean Evidence on Peer Effects. *Journal of Labor Economics* 24(1), 39-57.

## **5. Workplace diversity and productivity**

Dale-Olsen, Harald and Henning Finseraas (2020). Linguistic diversity and workplace productivity. *Labour Economics*, 64.

Parrotta, Pierpaolo, Dario Pozzoli, and Mariola Pytlikova (2014). Labor diversity and firm productivity. *European Economic Review*, 66, 144-179.

## **6. Discrimination in the workplace**

Bertrand, M., & Duflo, E. (2017). Field experiments on discrimination. In *Handbook of economic field experiments* (Vol. 1, pp. 309-393). North-Holland.

Bertrand, M., & Mullainathan, S. (2004). Are Emily and Greg more employable than Lakisha and Jamal? A field experiment on labor market discrimination. *American economic review*, 94(4), 991-1013.

## **7. Gender pay gap**

Blau, Francine D., and Lawrence M. Kahn (2017). The Gender Wage Gap: Extent, Trends, and Explanations. *Journal of Economic Literature*, 55(3), 789-865.

Niederle, M., & Vesterlund, L. (2007). Do women shy away from competition? Do men compete too much?. *The Quarterly Journal of Economics*, 122(3), 1067-1101.

Neumark, D., Bank, R. J., & Van Nort, K. D. (1996). Sex discrimination in restaurant hiring: An audit study. *The Quarterly Journal of Economics*, 111(3), 915-941.

## **8. Social norms in the workplace**

Huck, S., Kübler, D. and Weibull, J., 2012. Social norms and economic incentives in firms. *Journal of Economic Behavior & Organization*, 83(2), pp.173-185.

Burke, M.A. and Young, H.P., 2011. Social norms. In: *Handbook of social economics*, Vol. 1, pp. 311-338, North-Holland.

## **9. Monitoring and control**

Falk, A. and Kosfeld, M., 2006. The hidden costs of control. *American Economic Review*, 96(5), pp.1611-1630.

Dickinson, D. and Villeval, M.C., 2008. Does monitoring decrease work effort?: The complementarity between agency and crowding-out theories. *Games and Economic behavior*, 63(1), pp.56-76.

## **10. Worker Self Control**

Kaur, S., Kremer, M. and Mullainathan, S., 2010. Self-control and the development of work arrangements. *American Economic Review*, 100(2), pp.624-28.

Kaur, S., Kremer, M. and Mullainathan, S., 2015. Self-control at work. *Journal of Political Economy*, 123(6), pp.1227-1277.

## **11. The economics of creativity**

Erat, Sanjiv and Uri Gneezy (2016). Incentives for creativity. *Experimental Economics*, 19, 269-280.

Charness, Gary and Daniela Grieco (2019). Creativity and Incentives. *Journal of the European Economic Association*, 17(2), 454-496.

## **12. Home office and productivity**

Bloom, Nicholas, James Liang, John Roberts, and Zhichun Jenny Ying (2015). Does Working from Home Work? Evidence from a Chinese Experiment. *The Quarterly Journal of Economics*, 130(1), 165–218.

Mas, Alexandre and Amanda Pallais (2017). Valuing Alternative Work Arrangements. *American Economic Review*, 107(12), 3722-59.

## **13. Technology and productivity of digitalization**

Akerman, Anders, Ingvil Gaarder, and Magne Mogstad (2015). The Skill Complementarity of Broadband Internet. *The Quarterly Journal of Economics*, 130(4), 1781-1824.

Einav, Liran and Jonathan Levin (2014). Economics in the age of big data. *Science*, 346, 715-721.

## **14. Digitalization and Productivity**

Brynjolfsson, E., Rock, D. and Syverson, C., 2018. Artificial intelligence and the modern productivity paradox: A clash of expectations and statistics. In *The economics of artificial intelligence: An agenda* (pp. 23-57). University of Chicago Press.

Acemoglu, D., Dorn, D., Hanson, G.H. and Price, B., 2014. Return of the Solow paradox? IT, productivity, and employment in US manufacturing. *American Economic Review*, 104(5), pp.394-99.