

## **Experimental evidence on remote workers' overstatement likelihood**

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#### **Introdução**

Since the beginning of 2020, due to the COVID-19 outbreak, companies that were still reluctant to accept remote work were compelled to send employees home, creating a "new normal" (Farrer, 2020). For managers, the physical distance between employees and the company represents a challenge since output controls are standard for employees' performance appraisal (Groen et al., 2018). However, since employees in remote work have a reduced possibility to observe their peers' behaviors, they are less likely to conform to social norms that are in place in the office (Cialdini et al., 1991).

#### **Problema de Pesquisa e Objetivo**

Physical distance affects employees' perceived monitoring, enabling them to misreport (Lill, 2020). It also reduces the interaction between remote workers with their peers and the company (Golden, Veiga, & Dino, 2008). These remote work aspects create issues to monitor the employee directly and for the employee to observe peers' reporting behaviors. Hence, this study examines the effects of remote work and the moderating effect of social norms on workers' overstatement likelihood.

#### **Fundamentação Teórica**

I predict that remote workers have higher overstatement likelihood than office workers due to their lower perceptions of monitoring (Lill, 2020). Plus, when individuals do not have social norms' information or, more precisely, when this information is bounded to an effect such as physical distance, individuals tend to be less influenced by their peers (Brucks, Reips, & Ryf, 2007). Hence, I predict that remote workers will be less affected by their peers' reporting behavior than office workers.

#### **Metodologia**

I conduct a 2 x 2 between-participants web-based experimental scenario. I manipulate the physical distance in two levels: Remote and Office. I also manipulate Peers' social norms on two levels: honest and dishonest. I measure employees' self-reporting by the likelihood of the employee's overstatement likelihood of extra hours.

#### **Análise dos Resultados**

I find no significant results from remote workers' and office workers' overstatement likelihood. Also, I find no significant results for the interaction between physical distance and social norms. My post hoc analysis shows an indirect effect of physical distance on overstatement likelihood through two mediating variables: auditing beliefs and the company's social norm. My results posit that remote workers show higher audit beliefs than their office counterparts and that office workers have higher beliefs that the company's social norm is to work extra hours than remote workers.

#### **Conclusão**

My results point to different perceptions from remote workers and office workers regarding the company's display of information. While remote workers focus on peers' social norms information as a possible warning from the company and significantly reduce their overstatement likelihood, office workers are significantly affected by the complementary effects between peers' social norms and company's social norms and significantly increase their overstatement.

#### **Referências Bibliográficas**

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