

Rationalizing Unethical Behavior

It's important to understand the psychological reasons for cheating.

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We sometimes encounter articles in the public media or ones posted on *PM News* “exposing” unethical behavior by physicians—behavior such as “submission of fraudulent claims” or “falsification of medical records” for the purpose of receiving higher payments. This causes us to wonder, “What would lead an otherwise ethical doctor to the point where s/he might consider engaging in such behavior?” A doctor accused of wrongdoing typically claims that s/he has done nothing wrong. This could very well be true, or ... that doctor may have somehow rationalized his/her unethical actions as being ethical. One would wonder why a doctor would risk the possibility of losing a hard-earned reputation, or even a license, for short-term gain.

A professor at the USC Marshall School of Business, Scott Wiltermuth, conducted a study which may help us to better understand this type of behavior. He saw the rationalizations for some types of unethical behavior as being based on economics. In his experiment, participants were told that they would be paid \$3 for participating in a study with the possibility of increasing this amount in increments of \$2 by unscrambling word jumbles. They were given clear instructions that the solutions were to be completed *in order* and that each solution

would add an additional \$2 to their pay. The incentive to cheat and solve the puzzles out of order was that the third jumble was extremely difficult and was followed by a series of easily solved ones. The results revealed that one in five participants cheated—“saving” the more difficult puzzle for later, and thus, completing the scrambles out of order which, of course, was against the rules (cheating).

others also benefit from their misdeeds. He commented that, “When individuals stand to gain all of the rewards of their dishonesty, their own need to see themselves as moral may stop them from behaving unethically,” and (2) It is irrelevant that the cheater have a personal relationship with the others who benefit from their cheating. Wiltermuth’s commented: “Cheating rates increased

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Wiltermuth subsequently divided participants into five groups, all of which received the same instructions. There was a caveat. Some groups received a \$1 bonus for each solution given to a friend or a randomly assigned stranger. The results from this part of the study revealed *more* willingness to cheat when an additional dollar went to a friend, or even to someone unknown to the participant. The cheating jumped from 20% to 35% when others also benefited from it.

From this data, Professor Wiltermuth concluded that (1) People are more likely to engage in unethical behavior when they can rationalize that

when another beneficiary shared in the benefits, even when that beneficiary was a randomly selected participant from another experiment.” The bottom line of his study is: “When we share the rewards with others, we feel less guilty about cheating—and we do it more often.”

This study can help us to understand how some doctors are able to rationalize “questionable” actions. Unethical behavior may be more easily justified when the doctor feels that others will also benefit from their actions. For example, it would be “easier” to (1) justify mis-coding a non-covered

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service as covered ... “for the patient’s benefit,” or (2) code a higher-level E/M service ... “to help pay staff salaries—I am keeping people employed.”

ample of going to ultimate extremes is the doctor who submits claims for services that s/he never provided—or even, claims for deceased patients.

Because human behavior is extremely complicated and difficult to

impacted by the behavior of any one doctor or staff person who might justify unethical behavior, convinced that what s/he is doing will be tolerated because it offers financial benefit either to patients or to the other doctors in the practice. Of course, if you, or your group, end up being “exposed” for unethical behavior, no short-term financial gain will ever offset the long-term damage done to reputations. Simple awareness of the possibility that 35% of people might cheat and would justify their behavior as ethical when others benefit from it is helpful to include in your management toolbox. **PM**

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At some point, the cheater recognizes the potential of this “slippery slope”—often making it imperative to justify even more outrageous forms of unethical conduct. Jordan Belfort (as portrayed by Leonardo DiCaprio in “The Wolf of Wall Street”) comes to mind as an extreme example of this type of behavior. A medical ex-

predict, it is helpful for physician managers to be familiar with studies such as this—ones that enhance our understanding of human behavior. We are in a business in which ethics are of paramount importance. We are—and should be—held to the highest of standards. In a group practice, the reputations of all member doctors are



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