

## INSTRUCTIONS

### WELCOME

In the experiment today you will be asked to complete six different tasks. None of these will take more than 5 minutes. At the end of the experiment you will receive \$5 for having completed the experiment. In addition, we will randomly select one of the tasks and pay you based on your performance in that task. Once you have completed the six tasks we determine which task counts for payment by drawing a number between 1 and 6. The method we use to determine your earnings varies across tasks. Before each task we will describe in detail how your payment is determined.

Your total earnings from the experiment are the sum of your payment for the randomly selected task, your \$5 payment for completing the experiment, and a \$10 show up fee. At the end of the experiment you will be asked to come to the side room where you will be paid in private.

### Task 1 – Piece Rate

For Task 1 you will be asked to calculate the sum of five randomly chosen two-digit numbers. You will be given 5 minutes to calculate the correct sum of a series of these problems. You cannot use a calculator to determine this sum, however you are welcome to write the numbers down and make use of the provided scratch paper. You submit an answer by clicking the submit button with your mouse. When you enter an answer the computer will immediately tell you whether your answer is correct or not. Your answers to the problems are anonymous.

If Task 1 is the one randomly selected for payment, then you get 50 cents per problem you solve correctly in the 5 minutes. Your payment does not decrease if you provide an incorrect answer to a problem. We refer to this payment as the piece rate payment.

Please do not talk with one another for the duration of the experiment. If you have any questions, please raise your hand.

### ARE THERE ANY QUESTIONS BEFORE WE BEGIN?

### Task 2 – Tournament

As in Task 1 you will be given 5 minutes to calculate the correct sum of a series of five 2 digit numbers. However for this task your payment depends on your performance relative to that of a group of other participants. Each group consists of six people, 3 men and 3 women. The five other members of your group are located in the same row as you, that is, you are paired with the people sitting in front of you and those sitting behind you.

If Task 2 is the one randomly selected for payment, then your earnings depend on the number of problems you solve compared to the five other people in your group. The two individuals who correctly solve the largest number of problems will receive \$1.5 per

correct problem, while the other participants receive no payment. We refer to this as the tournament payment. If there are ties the winner will be randomly determined. You will not be informed of how you did in the tournament until all six tasks have been completed.

Please do not talk with one another. If you have any questions, please raise your hand.

ARE THERE ANY QUESTIONS BEFORE WE BEGIN?

### Task 3 – Choice

As in the previous two tasks you will be given 5 minutes to calculate the correct sum of a series of five 2-digit numbers. However, you now have to choose which payment scheme you want for your performance on the third task. You can either choose to be paid according to the piece rate, or according to the tournament.

If Task 3 is the one randomly selected for payment, then your earnings for this task are determined as follows. If you choose piece rate you receive 50 cents per problem you solve correctly. If you choose tournament your performance will be evaluated relative to the performance of the other five participants of your group in the Task 2-tournament. Task 2-tournament is the task you just completed. If you correctly solve more problems than 4 participants did in the task 2-tournament, then you receive three times the payment from the piece rate, that is, \$1.5 per correct problem. That is, at most only one participant in your group can have a higher task 2-tournament performance than your task-3 performance. Otherwise, you receive no earnings for this task. If there are ties, then the ranking is determined randomly. Remember, your group consists of all individuals that sit in the same row as yourself. Every group has 3 men and 3 women. You will not be informed of how you did in the tournament until all six tasks have been completed.

The next computer screen will ask you to choose whether you want the piece rate or the tournament applied to your performance. You will then be given 5 minutes to calculate the correct sum of a series of five randomly chosen two-digit numbers.

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ARE THERE ANY QUESTIONS BEFORE WE BEGIN?

### Affirmative-Action Tournament

Before we start the next task we explain the rules of an affirmative-action tournament. In an affirmative-action tournament the winners are determined as follows. One winner will be the best performing woman in a group. The other winner is the best performing individual among the rest of the group members (i.e., excluding the best performing woman).

Let us look at a concrete example that illustrates how the winners in an affirmative-action tournament are determined. We order the group members within each gender according to their performance such that  $w_1$  is the best performing woman,  $w_2$  is the second best performing woman, etc. We order the men in a similar manner, i.e.,  $m_1$  is the best performing man,  $m_2$  is the second best performing man, etc. The best performing woman,  $w_1$ , is always one of the two winners in the affirmative-action tournament. To determine the second winner we need to find out who is the best performing individual among the remaining members of the group (i.e., all group members excluding  $w_1$ ). Since there is going to be only one other winner it can only be  $w_2$  or  $m_1$ . Thus, if the performance of  $w_2$  is higher than the performance of  $m_1$ , then she is the second winner. If  $w_2$  performed worse than  $m_1$ , then  $m_1$  is the second winner.

To summarize a woman will win an affirmative-action tournament if she is the best performing woman or if she is among the two best performing individuals in the group. A man wins an affirmative-action tournament if he is the best performing man and if he is among the two best performing individuals in the group. Thus there is at least one woman and at most one man among the winners in an affirmative-action tournament.

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#### Task 4 – Choice II

As in the previous three tasks you will be given 5 minutes to calculate the correct sum of a series of five 2-digit numbers. Again, you now have to choose which payment scheme you want for your performance on the fourth task. You can either choose to be paid according to the piece rate, or according to the affirmative-action tournament.

If Task 4 is the one randomly selected for payment, then your earnings for this task are determined as follows. If you choose the piece rate you receive 50 cents per problem you solve correctly. If you choose the affirmative-action tournament your performance will be evaluated relative to the performance of other participants in your group in the Task 2-tournament. Task 2-tournament is the second task you completed. The instructions for women are that you receive \$1.5 per correct problem if (1) you correctly solve more problems than 4 participants did in the task 2-tournament, or (2) you correctly solve more problems than the other 2 women did in the task 2-tournament. Otherwise, you receive no earnings for this task. The instructions for men are that you receive \$1.5 per correct problem if (1) you correctly solve more problems than 4 participants did in the task 2-tournament, and (2) you correctly solve more problems than the other 2 men did in the task 2-tournament. Otherwise, you receive no earnings for this task. For both, women and men, if there are ties, then the ranking is determined randomly. Remember, your group consists of all individuals that sit in the same row as yourself. Every group has 3 men and 3 women. You will not be informed of how you did in the tournament until all six tasks have been completed.

The next computer screen will ask you to choose whether you want the piece rate or the affirmative-action tournament applied to your performance. You will then be given 5 minutes to calculate the correct sum of a series of five randomly chosen two-digit numbers.

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ARE THERE ANY QUESTIONS BEFORE WE BEGIN?

#### Task 5 – Submit Piece Rate

You do not have to add any numbers for the fifth task of the experiment. Instead you may be paid one more time for the number of problems you solved in the Task 1. However, you now have to choose which payment scheme you want applied to the number of problems you solved in Task 1-Piece Rate. You can either choose to be paid according to the piece rate, or according to the tournament.

If the fifth task is the one selected for payment, then your earnings for this task are determined as follows. If you choose the piece rate you receive 50 cents per problem you solved in Task 1. If you choose the tournament your performance will be evaluated relative to the performance of the other five participants of your group in the Task 1-piece rate. If you correctly solved more problems than 4 participants did in the task 1-piece rate, then you receive three times the payment from the piece rate, that is, \$1.5 per correct problem. That is, at most only one participant in your group can have a higher task 1 performance than you. Otherwise, you receive no earnings for this task. If there are ties, then the ranking is determined randomly.

Remember, your group consists of all individuals that sit in the same row as yourself. Every group has 3 men and 3 women. You will not be informed of how you did in the tournament until all six tasks have been completed.

The next computer screen will tell you how many problems you correctly solved in Task 1, and will ask you to choose whether you want the piece rate or the tournament applied to your performance.

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ARE THERE ANY QUESTIONS BEFORE WE BEGIN?

#### Task 6 – Submit Piece Rate II

You do not have to add any numbers for the sixth and final task of the experiment. Instead you may be paid one more time for the number of problems you solved in the Task 1. However, you now have to choose which payment scheme you want applied to

the number of problems you solved in Task 1. You can either choose to be paid according to the piece rate, or according to the affirmative-action tournament.

If the sixth task is the one selected for payment, then your earnings for this task are determined as follows. If you choose the piece rate you receive 50 cents per problem you solved in Task 1. If you choose the affirmative-action tournament your performance will be evaluated relative to the performance of other participants in your group in Task 1-piece rate. The instructions for women are that you receive \$1.5 per correct problem if (1) you correctly solved more problems than 4 participants did in the task 1-piece rate, or (2) you correctly solved more problems than the other 2 women did in the task 1-piece rate. Otherwise, you receive no earnings for this task. The instructions for men are that you receive \$1.5 per correct problem if (1) you correctly solved more problems than 4 participants did in the task 1-piece rate, and (2) you correctly solved more problems than the other 2 men did in the task 1-piece rate. Otherwise, you receive no earnings for this task. For both, women and men, if there are ties, then the ranking is determined randomly.

Remember, your group consists of all individuals that sit in the same row as yourself. Every group has 3 men and 3 women. You will not be informed of how you did in the tournament until all six tasks have been completed.

The next computer screen will tell you how many problems you correctly solved in Task 1, and will ask you to choose whether you want the piece rate or the tournament applied to your performance.

Please do not talk with one another. If you have any questions, please raise your hand.

ARE THERE ANY QUESTIONS BEFORE WE BEGIN?