Self-serving Bias
by Professor Robert Prentice

Psychological pressures – especially ones we’re not conscious of – often make it difficult for us to be as good as we would like to be. One of the most significant is the self-serving bias—the tendency we have to gather information, process information, and even remember information in such a manner as to advance our self-interest and support our pre-existing views. Because of this bias, even when people try their hardest to be fair and impartial, their judgments are inevitably shaded by their own self-interest, often in ways that seem indefensible to others.

The pleasure centers in our brains light up when we are told that our beliefs are correct or that a conclusion that advances our self-interest is accurate. Therefore it's not surprising that people with conservative political beliefs are more likely to watch Fox News while liberals are more likely to watch MSNBC.

Not only does the self-serving bias affect the information that we seek out, it also affects how we process that information. Thus, supporters of competing political candidates who watch the same debate each tend to conclude that “their guy” won.

The self-serving bias even affects how we remember information. Studies show we are more likely to recall evidence that supports our point of view than evidence that opposes it.

Because of the self-serving bias, studies show that when scientists review articles, they will tend to conclude that those supporting their preexisting point of view are of higher quality than those opposing their point of view.

In 2000, an accounting industry official testified before the SEC, saying “We are professionals that follow our code of ethics and practice by the highest moral standards. We would never be influenced by our own personal financial well being.” This testimony reflects an embarrassing ignorance of the impact of self-interest upon all humans’ decision making.

The more subjective the judgment, the less certain the facts; and the more that’s at stake, the more influential the self-serving bias is likely to be.

Inevitably, our self-interest clouds our ethical judgments, even in the most well-intentioned people. Don’t make the same mistake! Guard against the self-serving bias!
Questions for classroom discussions: Self-serving Bias

1) Have you ever thought that a candidate you supported won a political debate your watched while friends who supported the opposing candidate thought their candidate won? Why might that have happened?

2) Do you remember your grades from high school? If you wrote them all down and are like most people, you would have remembered doing better than you actually did. As time passes, the average memory becomes even less accurate and almost always in the same direction of remembering that you did better (rather than worse) than you actually did. What phenomenon is at work here?

3) Can you think of an ethical situation you have been in where the self-serving bias may have played a role in how you thought or acted?

4) Can you think of ways in which the self-serving bias may negatively impact a company’s performance? Explain.

5) How can you guard against the self-serving bias in your ethical decision-making?

6) How can a firm protect itself from the potential bad side effects of the self-serving bias as it affects employees’ decision making?