Title: PERSPECTIVE-TAKING, INFORMATION PROCESSING AND WORKPLACE VERBAL ABUSE: A BANGLADESH FACTORY MANAGER FIELD EXPERIMENT

Verbal abuse is a motivational technique characteristic of emergent industries in developing countries. Yet, empirical evidence indicates that verbal abuse reduces productivity and requires a compensating pay differential.

Providing managers information about verbal abuse may not reduce its incidence, however. Established empirical evidence indicates that once workers are dehumanized in the minds of managers, managers stop processing the negative relationship between abusive motivational techniques and work effort. Fortunately, fMRI and field experiment evidence indicate that dehumanization can be reversed through the act of imagining the preferences or experiences of another person. Simply asking participants to imagine whether the person in a photo likes broccoli reactivates social processing.

We conduct a randomized controlled trial with managers in 16 apparel factories in Bangladesh. Half of the managers are assigned to a perspective-taking exercise, imagining the thoughts and preferences of their subordinates. The other half are assigned to a control exercise. Participants are then shown information about verbal abuse in apparel factories in Bangladesh and are assessed on their processing of that information.

We find that manager perceptions of verbal abuse are inconsistent with the depicted data, indicating resistance to acknowledging the incidence of verbal abuse. Perspective-taking improved information processing but the response was heterogeneous. Treated managers who engaged with the perspective-taking exercise or viewed verbal abuse as inappropriate exhibited increased interest in and willingness to make changes based on the data. Acknowledgement of the prevalence of verbal abuse itself increased with perspective-taking only in those managers for whom there was consonance between personal beliefs and the data.

Currently, academics are debating the value of industrialization as a development strategy. Abuse is so severe in some workplaces that employees have better outcomes in the informal sector. Our findings indicate that managers do not accurately process information about workplace abuse, but information processing can be improved by perspective-taking.

Our work contributes to an understanding of and provides a strategy for achieving Sustainability Goal 8 Decent Work and Economic Growth. The work contributes to the themes of the conference Equality and Development and Mobilizing the Private Sector particularly as it relates to corporate social responsibility.