

On the Combination of Biased Members

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December 3, 2021
(Very Preliminary)

Abstract

We consider the information transmission problem within organization, and especially we focus on how to combine biased subordinates to elicit truthful information from them. We assume that the directions of subordinates' biases are common knowledge, but not their sizes. This leads to the results that homogeneous combination of subordinates are better than homogeneous one. This is because in the case of homogeneous subordinates, the effect of one's false report might be accelerated by another false report and this anxiety reduces an incentive for Subordinates to send a false report.

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