People Prefer AI in Fairness-Related Decisions

A new study reveals that over 60% of participants prefer AI over humans for redistributive decisions, despite finding AI decisions less satisfying and fair.

By Neuroscience News

4 min. read · View original

Summary: A new study reveals that over 60% of participants prefer AI over humans for redistributive decisions, despite finding AI decisions less satisfying and fair. Researchers conducted an online experiment with over 200 participants from the UK and Germany.

The study highlights the need for transparency and accountability in AI decision-making. Findings suggest that improved algorithm consistency could increase public acceptance of AI in moral decision-making contexts.

Key Facts:

- 1. **AI Preference:** 60% of participants preferred AI for redistributive decisions.
- 2. **Perceived Fairness:** Participants rated AI decisions as less satisfying and fair.
- 3. **Transparency Needed:** Transparency and accountability are crucial for AI acceptance.

Source: University of Portsmouth

A new study has revealed that people prefer Artificial Intelligence (AI) over humans when it comes to redistributive decisions.

As technology continues to integrate into various aspects of public and private decision-making, understanding public perception and satisfaction and ensuring the transparency and accountability of algorithms will be key to their acceptance and effectiveness. People Prefer AI in Fairness-Related Decisions



However, despite the preference for algorithms, when rating the decisions taken participants were less satisfied with the decision of the AI and found it less 'fair' than the one taken by humans. Credit: Neuroscience News

The study, conducted by researchers from the University of Portsmouth and the Max Planck Institute for Innovation and Competition, looked into public attitudes towards algorithmic versus human decision-making and examined the impact of potential discrimination on these preferences.

An online decision experiment was used to study the preference for human or AI decision makers, where the earnings of two people could be redistributed between them after a series of tasks were performed. Over 200 participants from the UK and Germany were asked to vote on whether they wanted a human or an algorithm (AI) to make the decision that would determine how much money they earned.

Contrary to previous findings, over 60 percent of participants chose AI over a human to decide how the earnings were redistributed. Participants favoured the algorithm, irrespective of potential discrimination. This preference challenges the conventional notion that human decision-makers are favoured in decisions involving a 'moral' component such as fairness.

However, despite the preference for algorithms, when rating the decisions taken participants were less satisfied with the decision of the AI and found it less 'fair' than the one taken by humans.

Subjective ratings of the decisions are mainly driven by participants' own material interests and fairness ideals. Participants could tolerate any reasonable deviation between the actual decision and their ideals but reacted very strongly and negatively to redistribution decisions that were not consistent with any of the established fairness principles.

Dr Wolfgang Luhan, Associate Professor of Behavioural Economics in the School for Accounting, Economics and Finance at the University of Portsmouth and corresponding author of the study, said: "Our research suggests that while people are open to the idea of algorithmic decision-makers, especially due to their potential for unbiased decisions, the actual performance and the ability to explain how they decide play crucial roles in acceptance.

"Especially in moral decision-making contexts, the transparency and accountability of algorithms are vital.

"Many companies are already using AI for hiring decisions and compensation planning, and public bodies are employing AI in policing and parole strategies. Our findings suggest that, with improvements in algorithm consistency, the public may increasingly support algorithmic decision makers even in morally significant areas. "If the right AI approach is taken, this could actually improve the acceptance of policies and managerial choices such as pay rises or bonus payments."

About this AI research news

Author: <u>Glenn Harris</u> Source: <u>University of Portsmouth</u> Contact: Glenn Harris – University of Portsmouth Image: The image is credited to Neuroscience News

Original Research: Open access. "Ruled by robots: preference for algorithmic decision makers and perceptions of their choices" by Wolfgang Luhan et al. *Public Choice*

Abstract

Ruled by robots: preference for algorithmic decision makers and perceptions of their choices

As technology-assisted decision-making is becoming more widespread, it is important to understand how the algorithmic nature of the decision maker affects how decisions are perceived by those affected.

We use an online experiment to study the preference for human or algorithmic decision makers in redistributive decisions. In particular, we consider whether an algorithmic decision maker will be preferred because of its impartiality.

Contrary to previous findings, the majority of participants (over 60%) prefer the algorithm as a decision maker over a human—but this is not driven by concerns over biased decisions.

However, despite this preference, the decisions made by humans are regarded more favorably. Subjective ratings of the decisions are mainly driven by participants' own material interests and fairness ideals.

Participants tolerate any explainable deviation between the actual decision and their ideals but react very strongly and negatively to redistribution decisions that are not consistent with any fairness principles.