

Risking time is like risking money for the representative individual. You are not representative

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Abstract

This paper investigates decision making under risk using both time and money as outcomes. From an economics perspective "time is money". However, psychologists report differences in decision making across both resources. We measured prospect theory's value functions, for both time and money for 131 participants. While the two value functions are strikingly similar at the aggregate level, near-zero correlations between the parameters of time and money value functions indicate that individuals process both resources differently. Managerial implications are discussed.