

Loyola University Chicago Loyola eCommons

Master's Theses

Theses and Dissertations

1990

Perceptions of Procedural Justice of Bargaining Styles

Elizabeth Sanders Loyola University Chicago

Follow this and additional works at: https://ecommons.luc.edu/luc_theses



Part of the Psychology Commons

Recommended Citation

Sanders, Elizabeth, "Perceptions of Procedural Justice of Bargaining Styles" (1990). Master's Theses.

https://ecommons.luc.edu/luc_theses/3637

This Thesis is brought to you for free and open access by the Theses and Dissertations at Loyola eCommons. It has been accepted for inclusion in Master's Theses by an authorized administrator of Loyola eCommons. For more information, please contact ecommons@luc.edu.



This work is licensed under a Creative Commons Attribution-Noncommercial-No Derivative Works 3.0 License. Copyright © 1990 Elizabeth Sanders

PERCEPTIONS OF PROCEDURAL JUSTICE OF BARGAINING STYLES

bу

Elizabeth Sanders

A Thesis Submitted to the Faculty of the Graduate School of Loyola University of Chicago in Partial Fulfillment of the Requirements for the Degree of

Master of Arts

January

1990

ACKNOWLEDGMENTS

The author would like to acknowledge Dr. R. Scott Tindale and Dr. Fred B. Bryant for their support and encouragement throughout this process. Their time and effort spent both in guidance and review is greatly appreciated.

The author would also like to extend her gratitude to family and friends for their patience and understanding throughout all of the author's academic pursuits.

VITA

The author, Elizabeth Sanders, is the daughter of William Sanders and Jenice (Willcutt) Sanders. She was born May 25, 1963 in Fargo, North Dakota.

Her elementary education was obtained in the public schools of Fargo, North Dakota. Her secondary education was completed in 1981 at Fargo South High School, Fargo, North Dakota.

In September, 1982, Ms. Sanders entered North Dakota State University, receiving the degree of Bachelor of Arts in Psychology in May, 1985.

In September, 1986, Ms. Sanders was granted a research assistantship in the Applied Social Psychology program at Loyola University of Chicago, Chicago, Illinois. She completed her Master of Arts degree in 1990.

TABLE OF CONTENTS

| Pag | ge |
|---------------------------------|----------------------------|
| ACKNOWLEDGMENTS | ii |
| VITAi | ii |
| LIST OF TABLES | νi |
| LIST OF FIGURESv: | іi |
| CONTENTS OF APPENDIXvii | ίi |
| INTRODUCTION | . 1 |
| REVIEW OF BARGAINING LITERATURE | . 2 |
| Research on Perceived Justice | 10 17 19 20 |
| METHOD | 24 |
| Design | 24 24 25 25 26 |
| RESULTS | 3 1 |
| Manipulation Check | 36 39 |
| DISCUSSION5 | 52 |
| Procedural Justice | 53 54 |

| | Implica | tion | s., | • • • | • • • | • • | | | • | • | • | • | • | • | • | • | • | • | • | • | . 5 | 5 |
|-----|---------|------|-----|-------|-------|---------|------|------|---|-------|-------|---|-------|---|---|---|---|-------|---|-------|-----|---|
| REF | ERENCES | | | • • • | • • • | | | | • | • | • | • | • | • | | • | • | • | • | • | . 5 | 8 |
| APP | ENDIX | | | • • • | | | | | • | • | • | | • | • | • | • | • | • | • | • | . 6 | 0 |

LIST OF TABLES

| ble Page | Table |
|---|-------|
| 1. Salary Plans and Schedule of Point . Totals for Two Teams | 1. |
| 2. Percentage of Plan Choices for all Bargaining Style Conditions32 | 2. |
| 3. Outcome Point Totals for Respondents for each Bargaining Style Condition33 | 3. |
| 4. Mean Differences of Cooperation, Competition and Individualism among Bargaining Style Conditions | 4. |
| 5. Mean Scores for Bargaining Style on Procedural Justice and Outcome Satisfaction | 5. |
| 6. Factors Generated by Factor Analysis for each Bargaining Style Condition41 | 6. |
| 7. Cronbach's Alpha for Factors with Identical Items across Bargaining Style Conditions42 | 7. |
| 8. Mean Differences in Bargaining Style of Seven Factors44 | 8. |
| 9. Means for Negotiator and Representative on Control Factor47 | 9. |
| 0. Disposition and Situation Scales49 | 10. |
| 1. Bargaining Style Means for the Disposition and Situation Scales51 | 11. |

LIST OF FIGURES

| Figure | e | Page |
|--------|--|------|
| 1. | Matrix of Behavior Outcomes | 5 |
| 2. | Matrix of Outcomes Leading to a Competitive Bargaining Style | 7 |
| 3. | Varying Degrees of Process Control of the Decision Maker | 13 |

CONTENTS OF APPENDIX

| | Page |
|----------|----------------------------|
| APPENDIX | Background Information61 |
| | Competitive Information61 |
| | Management Packet61 |
| | Union Packet65 |
| | Cooperative Information69 |
| | Management Packet69 |
| | Union Packet73 |
| | Individual Packet77 |
| | Management Packet |
| | Union Packet81 |
| | Respondent Questionnaire85 |

INTRODUCTION

people often find themselves in situations where negotiation is necessary to resolve conflict. For example, people negotiate to determine salary increases, injury compensation, and even car prices. In this paper, I address the issue of whether people perceive differences in the procedural justice of different negotiating styles, in particular the styles of cooperation, competition and individualism.

First, I begin by reviewing the literature relevant to the study of bargaining and bargaining styles. Second, I review the literature concerning procedural justice. Finally, I discuss the results and implications of the present study for the understanding of bargaining in general and for perceptions of procedural justice in particular.

REVIEW OF BARGAINING LITERATURE

the Bargaining, as defined in literature. process whereby two or more parties attempt to settle what each shall give and take, or perform and receive, in a transaction between them. Five characteristics of bargaining, as defined by Rubin and Brown (1975), are: (1) at least two parties are involved; (2) these parties have a conflict of interest with respect to one or more different issues; (3) regardless of the existence of prior experience with one another, the parties are at least temporarily joined in a voluntary relationship; (4) the activity in the relationship concerns (a) the resolution of one or more intangible issues among the parties and (b) the division or exchange of one or more specific resources; and (5) the activity usually presentation of demands involves the by one party. evaluation by the other, followed by concessions counterproposals in a sequential rather than simultaneous activity.

One major area of study in the bargaining literature has been the definition and effectiveness of different styles of bargaining. Research suggests that three primary styles exist: (1) competition, (2) cooperation, and (3) individualism (Deutsch, 1973; Rubin & Brown, 1975). These three styles refer most generally to one bargainer's

attitudinal disposition toward another (Deutsch, 1960).

Bargainers with a competitive style have an interest in doing better than others while at the same time doing as well for themselves as possible. Bargainers have a cooperative style to the extent that they have a positive interest in others' welfare as well as their own welfare. Bargainers with an individualistic style are simply interested in maximizing their own outcomes, regardless of how others fare. Other bargaining styles can also exist, but these three styles represent extreme cases and have been the focus of much research.

The question that follows, then, is which of these three bargaining styles is most effective in resolving conflict, allowing disputants to reach a satisfying conclusion with relative ease? Addressing this question, Rubin and Brown (1975) suggest that a cooperative style is more effective in delivering an acceptable outcome through bargaining than either an individualistic or especially a competitive style. Research has supported the importance of cooperation as an effective bargaining style using a variety of methods to manipulate bargaining styles, including: (1) varying experimental instructions, (2) premeasuring respondents' attitudes and (3) manipulating the payoff matrices.

One popular method of manipulating bargaining styles, pioneered by Deutsch (1958, 1960), is varying experimental

instructions. This is a relatively successful and simple method of manipulating styles of bargaining. Inducing subjects in this way to bargain cooperatively has lead to greater bargaining effectiveness, allowing disputants to reach satisfying outcomes with relative ease, than inducing subjects to bargain competitively or individualistically (Rubin & Brown, 1975).

Support for cooperation as an effective bargaining style also comes from a second method of manipulation, οf attitudes. Pretesting respondents' premeasurement attitudes involves, in part, determining whether respondents "own gain" (individualistic) or "relative gain" have (competitive) goal orientations, on the basis of their performance on an initial series of "prisoner's dilemma" games.

A third method of manipulating bargaining styles is to alter the possible outcomes available to each person in the bargaining interaction. By manipulating the pattern possible outcomes, the degree of conflict can also be manipulated (Rubin & Brown, 1975). The pattern of possible outcomes, represented by the matrix below (see Figure 1), was developed from exchange theory (Thibaut & Kelley, 1959). This matrix stresses the interdependence of behavior, displaying alternatives for outcomes in the bargaining interaction.

In figure 1, the outcomes, represented by the letters

Figure 1

Matrix of Behavior Outcomes

Behavior of Person 1

| Behavior of | | | | | |
|-------------|---------|------------|--------|--|--|
| Person 2 | coopera | tive | 1 | competitive | |
| | | a 1 | ; | c1 | |
| cooperative | a2 | | 1 | b2 | |
| | | | - ; - | que ign dip ville diff. Mile diff. Mile diff. dien den den den den den von von von von von von | |
| | | b 1 | i i | d1 | |
| competitive | c2 | | i | d2 | |

a. b, c, and d, refer to different consequences possible in the interaction. In this case, al refers to the consequences of the behavior of person 1, whereas a2 refers to the outcomes of the behavior of person 2. Respondents discovered these outcomes through interaction with each In a bargaining interaction, it may be that the other. consequences of mutual cooperation (represented here by the would vield a better outcome than competition (represented here by the letter d).

By increasing or decreasing the value of one of these four bargaining outcomes, researchers have varied level of conflict (Aranoff & Tedeschi. Increasing certain values in the outcome matrix may increase be conflict, which in turn can expected to increase competitiveness. For instance, in the matrix below (see 2) the values for c=40 and d=50indicate that the reward for being competitive is greater than the reward for being cooperative. This pattern of outcome values may increase competitiveness. Increasing the reward for cooperation, thereby decreasing conflict, may lead in to more cooperative behavior and a contrast satisfactory experience in bargaining.

In the matrix below (see Figure 2), the reward for competition is greater than the reward for cooperation, increasing the level of conflict and competitiveness. It has been found, however, that as the level of conflict

Figure 2

Matrix of Outcomes Leading to a Competitive Bargaining Style

| Behavio | or of | Person | 1 |
|-----------|-------|---------|---|
| 201100.20 | | 1010011 | - |

Behavior of

 Person 2
 cooperative
 competitive

 20 | 40

 cooperative
 20 | 30

 30 | 50

 competitive
 40 | 50

increases, the effectiveness of bargaining as a method of conflict resolution may decrease (Thibaut & Walker, 1975). Considered together, the research in this area suggests that, although bargaining may be ineffective in resolving cases of high conflict, in situations with at least moderate conflict bargaining may be an effective method of conflict resolution. In these cases, a cooperative bargaining style would lead to more effective conflict resolution than an individualistic or competitive bargaining style.

Bargaining research has also explored the important strategic issue of the effects of early cooperative or competitive overtures on the course of bargaining. The general conclusion of this research is that the early initiation of cooperative behavior tends to promote the development of trust and a mutually beneficial, cooperative relationship. Early competitive behavior, on the other hand, tends to induce mutual suspicion and competition (Crumbaugh & Evans, 1967; Rubin & Brown, 1975).

In sum, these three methods of bargaining style manipulation -- (1) varying experimental instructions, (2) premeasuring respondents' attitudes and (3) manipulating the payoff matrices -- suggest that cooperative conflict resolution is most effective in negotiating a satisfying outcome.

In explaining why cooperation may be a more effective bargaining style, Kelley and Stahelski (1970) found that

respondents who began with cooperative styles displayed greater variance in their expectations of how a typical person should behave than did competitive respondents, who expected a typical person to behave competitively, as they themselves behaved. This finding suggests that cooperators are more sensitive to the potential variability of other's behavior, more aware of the possibility of influence of the competitor, and better able to modify their perceptions (and presumably their behavior) accordingly. Apparently, the cooperative bargaining style increases the respondent's ability to adapt to the behavior of the other person and to circumstances when necessary to change increase the likelihood of reaching a satisfying outcome.

RESEARCH ON PERCEIVED JUSTICE

discussed above, cooperation, competitive individualism are three different bargaining styles that are defined in the literature as being differentially effective in conflict resolution. Is it also the case perceive participants in the bargaining process bargaining styles to be different in the degree of fairness of the bargaining procedures and/or the outcome? Previous researchers have explored the concept of justice within two domains: (1) procedural justice, the justice or fairness of process through which an allocation decision is made the (Barrett-Howard & Tyler, 1986; Thibaut & Walker, 1975); and (2) distributive justice, the justice or fairness of the way

in which the resources are allocated (Walster, Walster & Bersheid, 1978).

In the study of procedural justice, two important perceptual models have been developed. The first model that I will discuss stems from the work of Thibaut and Walker (1975). The second model that I will discuss was developed from the work of Leventhal (1980).

Thibaut and Walker's Model of Procedural Justice.

One influential model of procedural justice follows from the work of Thibaut and Walker (1975), who defined the concept of justice as fairness. According to John Rawls (1971), justice as fairness is appropriate because it conveys the idea that participants agree to the principles of justice in an initial situation that is fair. The Oxford Dictionary also refers to justice and fairness as synonymous (Oxford Dictionary, 1980).

In exploring the notion of procedural justice, Thibaut and Walker (1975) define conditions important in the determination of procedural justice. They differentiate two important aspects of procedural justice: (1) process control; and (2) decision control. First, I will describe process control, or the opportunity to present evidence. Second, I will describe decision control, or the opportunity to have influence over the final outcomes.

<u>Process Control.</u> One important aspect of procedural justice is process control. Thibaut and Walker's model

both the decision maker's (1975)examines and the disputant's need for process control. In terms of conflicts interest, the procedural system designed to achieve distributive justice attempts to evaluate the weight of the party's claim, and then render an allocation decision. system will function most effectively in gaining information and evaluating the disputant's claim if process control is assigned to disputants. The disputants typically have more information than the third party information collector and can better present the evidence.

Another reason why the system will function most effectively if the disputants can exert process control is that the "actor-observer bias" (Jones & Nisbett, 1972) may distort the third party's perceptions of the disputants' Specifically, Jones and Nisbett (1972) cite behavior. observers' tendency to attribute actors' behavior to stable dispositions, while the actors are more likely to attribute the cause of their behavior to situational factors. In this way, the third party information collector may be more likely to see the disputant's behavior as a reflection of than some stable disposition rather as а result ofsituational variables.

Decision Control. Process control allows the disputants the opportunity to present their information, reducing the threat of "actor-observer bias." Decision control, Thibaut and Walker's second important aspect of

procedural justice, is allotted to a third party who makes the final decision, as in a legal situation, or to the disputants, as in a bargaining situation. In cases of intense conflict of interest, however, decision control should be assigned to a third party (Thibaut & Walker, 1975). This implies that arbitration is the most just process for resolving high conflicts of interest (Thibaut & Walker, 1975) and supports the above claim that bargaining may not be effective in situations involving high conflicts of interest.

Following from the research on aspects of process and outcome control, researchers have often compared conflict resolution methods, primarily focusing on the adversarial and inquisitorial approaches. Near one end of a continuum denoting process control of the decision maker is the adversarial model (see Figure 3). This model, most often American and British court systems, permits used in disputants in the conflict to exercise a great deal of control over the substance of the hearing, through the actions of their attorneys, whom the disputants have chosen to be responsible for advancing their interests. In the adversarial model, the role of the decision maker is essentially passive. It is the attorneys who investigate the case in conflict, and who control the flow of information to the decision maker in an effort to secure a decision favorable to the disputant with whom their outcomes

Figure 3

Varying Degrees of Process Control of the Decision Maker

(from Thibaut, Walker, LaTour & Houlden, 1974)

| Degree of | Process | Method o | f Conflict | |
|-----------|---------|----------|---------------|-------|
| Cont | rol | Reso | lution | |
| LOW | 1 | bargai | ning | |
| | 2 | advers | arial model | |
| | 3 | double | investigator | model |
| | 4 | single | investigator | model |
| HIGH | 5 | inquis | itorial model | |

are aligned.

At the other end of the process control continuum is the <u>inquisitorial</u> model (see Figure 3). This model is characterized primarily by the fact that control over most of the substance lies in the hands of the decision makers, who are no longer passive players. The inquisitorial decision makers themselves accumulate information during the hearing through personal interrogation of the disputants and witnesses (Lind et al., 1978).

effectiveness of adversarial and inquisitorial models of conflict resolution has been explored in the early procedural justice literature by focusing on the fundamental dichotomy between the desired resolution objectives of truth and justice, as defined by Thibaut and Walker (1975). Conflicts about the most accurate view of reality, like scientific disputes, have as the object of the resolution the determination of truth. Thibaut and Walker (1975) suggest that for these cognitive conflicts, the inquisitorial model is perceived by the disputants as most In these disputes, the decision makers accumulate just. primarily objective facts, weigh the evidence and make the necessary decision. The accumulation of objective facts leaves little room for decision maker bias which may lead to distortions in decision making.

When the conflict is about apportionment of outcomes, however, such as conflicts of interest, the best resolution

is one aiming toward distributive justice. Thibaut and Walker suggest that for these conflicts of interest, the adversarial model is most likely to reach satisfactory results. The goal of conflicts of interest is distributive justice -- a fair outcome. Information collected in search of a fair outcome may be primarily subjective information, not objective facts. This leaves more room for decision maker bias to be present in the decision making process. The adversarial model reduces the possibility of decision making bias by allowing each party the opportunity to present their own case. Research has shown that the adversarial model is perceived by potential disputants as more procedurally just for conflict resolution dealing with conflicts of interest than the inquisitorial model (LaTour, 1978; Lind, 1982, Thibaut et al., 1974).

summarizing the research on conflict resolution methods stemming from Thibaut and Walker's model. respondents perceive the adversarial model to be more just in resolving conflict than other models of conflict resolution in a variety of studies. This finding has also been demonstrated in a cross-cultural study (Lind, Erickson, Friedland & Dickenberger, 1978) in four locations: United States, (2) England, (3) France and (4) West (1)Germany. Thus, is appears that this finding is relatively robust.

Although there is a great deal of research using

Thibaut and Walker's model of procedural justice, little included bargaining specifically in the research has analysis. One study that did include bargaining (Thibaut, Walker, LaTour & Houlden, 1974) examined several conflict resolution methods, characterized by progressively increasing degrees of control over the procedure by the decision makers. At one end of the continuum was bargaining, from which the decision maker has vanished, leaving total control over the process in the hands of the disputants. At the other end of the continuum was the inquisitorial model, in which nearly all of the control over the process is allocated to the decision maker (see Figure 3).

In this study by Thibaut et al., (1974), respondents chose the method of conflict resolution they preferred to settle an assault case. Overall, respondents expressed greater preference for the adversarial model, viewing it as most fair, and expressed least preference for the bargaining method, viewing it as least fair. This may be due in part to the type of case used in this study, an assault case, that may not be seen as negotiable. Alternatively, the respondents may believe that the alleged aggressor is relatively domineering and competitive and will try to take further advantage of the victim during negotiation.

In sum, Thibaut and Walker's model of procedural justice (1975) explores conflict resolution procedures in

terms of procedural and decision control. In a conflict of interest, the procedure seen as most fair or just is the adversarial method. While it affords the disputants procedural control, decision control is delegated to a third party.

Leventhal's Model of Procedural Justice

A second model of procedural justice expands upon Thibaut and Walker's earlier work, by defining the criteria that determine perceptions of procedural justice. This second model comes from the work of Leventhal (1980), who described several important issues in the study of procedural justice. First, I will discuss Leventhal's seven categories of procedural components. Second, I will discuss his six criteria that determine perceptions of procedural justice.

The development of Leventhal's (1980) seven categories of procedural components stems from his notion that individuals first develop internal representations, or cognitive maps, of the interaction settings and social systems in which they function. These cognitive maps contain structural procedural components that correspond to important features of the processes of allocation of resources.

Leventhal described the seven components as: (1) selecting of agents; (2) setting ground rules; (3) gathering information; (4) building decision structures; (5) making

appeals; (6) implementing safeguards; and (7) incorporating change mechanisms. These components may be present in individuals' cognitive maps of any interaction in which rewards, punishments or resources are distributed.

Leventhal, after According to individuals developed cognitive maps of the bargaining situation, they then evaluate the fairness of these structural components. They do so using rules of fair procedure, or what Leventhal defined as the six criteria of importance, which allocative procedures must often satisfy to be perceived as fair. His criteria are: (1) consistency of persons in behavior and over time; (2) suppression of bias (i.e., lack of favoritism); (3) accuracy of information; (4) correctability of the decision (i.e., ability to appeal; (5) representation in decision making body; and (6) maintenance of ethical and moral standards. Leventhal's criterion of representation is roughly equivalent to Thibaut and Walker's (1975) notion of process control. No apparent concept of decision control exists, however, in Leventhal's model.

In some situations, one procedural criterion may be considered much more relevant than others, in which case judgments of procedural fairness may be dominated by that criterion. In other situations, however, several procedural criteria may be applicable.

Research using Leventhal's (1980) six criteria has examined situation variables that determine which

in different are important situations. criteria Barrett-Howard and Tyler (1986) used Leventhal's criteria in studying allocation procedures. They reported that the these criteria differs depending importance of characteristics of the situation: (1) whether it is a task or social situation, (2) whether the situation is formal or informal, and (3) whether the situation is cooperative or competitive. In judging procedural justice, person and time consistency, accuracy and ethicality were important for cooperative encounters. For competitive encounters, however, consistency across person and accuracy were most important in judging procedural justice.

In sum, Leventhal's (1980) work defines important components of procedural justice. Related research indicates that these components play an important role in the determination of the procedural justice of a conflict resolution method.

OUTCOME EFFECTS ON PERCEIVED PROCEDURAL JUSTICE

Another important component in perceptions of procedural justice is outcome. Some conflicting results exist in the procedural justice literature when the verdict or outcome is taken into consideration. For example, Walker et al. (1974) and Lind (1980) found that respondents did not revise their perceptions of the procedure when they learned the verdict. In contrast, however, LaTour (1978) reported that perceptions of procedural justice were lower after an

unfavorable verdict or outcome than after a favorable one.

To date, no explanation has been offered for these discrepant results.

THE PRESENT STUDY

The above two models of procedural justice can be applied to bargaining situations to determine the perceived procedural justice of different bargaining styles, such as cooperation, competition and individualism. The present study examined whether people perceive these three styles differently, and which criteria of fairness are important in determining procedural justice for the three styles. It also examined whether negotiators' and representatives' perceptions of justice differ. The reason for examining these perceptual differences between client and negotiator the "actor-observer bias" (Jones & Nisbett, from stems 1972). As mentioned earlier, the actors' view of their behavior emphasizes the causal role of environmental conditions at the moment of action. The observers' view, in contrast, emphasizes the causal role ofstable dispositional properties of the actors.

There is a pervasive tendency, Jones and Nisbett argue, for actors to attribute their actions to situational demands, whereas observers tend to attribute the same actions to stable personal dispositions. Jones and Harris (1967) suggest that observers are willing to take behavior more or less at "face value", as reflecting a stable

disposition, even when it is clear that the actor's behavior is being severely restrained by the conditions of the interaction.

This actor-observer bias suggests that in a bargaining interaction the negotiator and representative would attribute the cause of the bargaining behavior differently. Negotiators should attribute their competitive bargaining behavior to environmental conditions (e.g., the competitive bargaining stance of the other negotiator). Representatives, however, should be more likely to view negotiators' behavior as a reflection of some stable competitive disposition.

Past research suggests four major hypotheses that were examined.

Ιt hypothesized that cooperative bargaining behavior will be perceived by participants in a bargaining the most fair procedure, followed situation to be individualistic behavior. Competitive bargaining behavior will be seen as least fair. Research on cooperative and competitive bargaining behavior suggests cooperation generates an atmosphere or trust and mutual understanding. same way, competition generates an atmosphere of Ιn suspicion and the possibility of exploitation (Crumbaugh & Rubin & Brown, 1975). Respondents may judge Evans. 1967: negotiations in an atmosphere of trust as more fair than negotiations in an atmosphere of suspicion and possible

exploitation. The individualistic style should fall between these two extremes.

In this study outcome was only partially controlled in the experiment. In order to preserve some degree of mundane realism in the bargaining interaction, it was necessary to leave a degree of outcome control to the participant. Some control, however, is necessary in order to separate the (a) confound of the tendency for cooperative bargaining to be more effective in conflict resolution from (b) the perceptions of procedural justice.

- 2. Based on the study of Barrett-Howard and Tyler (1986), in cooperative negotiation, it is hypothesized that participants will perceive person and time consistency, accuracy and ethicality as important in the judgement of procedural justice. In competitive negotiation, consistency across person and accuracy may be seen as more important. To date, bargaining research has not defined the criteria important for perceptions of procedural justice in individualistic bargaining.
- 3. Although research is not clear as to the impact of outcome on perceptions of procedural justice, it is hypothesized that respondents who are satisfied with their outcomes will be more likely to judge the procedure as fair than those who were dissatisfied with their outcome. A style X outcome interaction may also exist. A satisfying outcome may be more important to the perceived fairness of a

competitive situation than to the perceived fairness of a cooperative situation.

4. It is predicted that the negotiators will attribute the cause of their behavior to the situational conditions of negotiation, for instance, to the stance of the other negotiators (Jones & Nisbett, 1972). Negotiators will say they were competitive because the other negotiator was competitive. Representatives, on the other hand, will view the negotiators' stance as reflecting stable dispositions. Representatives will say that negotiators were competitive because they are competitive people.

METHOD

Design

The design of this study was a 3 x 2 complete factorial. The bi-level independent variable, role, was nested within team within group. That is, each of the three bargaining style conditions consisted of four-person groups. Each group consisted of two two-person teams, each team consisting of a negotiator and representative.

Subjects

Participants for this study were one hundred and forty-four introductory psychology students from Loyola University of Chicago. Participants received course credit for participation. As an additional incentive to participate and as part of the bargaining manipulation conditions, participants also had the opportunity to participate in a \$30 lottery. The extent of each team's participation in the lottery was determined by the plan chosen in the bargaining interaction (see below).

Bargaining Case

The bargaining case used in this study required two negotiators to attempt to reach an agreement on a salary package for a restaurant corporation (see Appendix for background information). The subjects were randomly assigned to 2 teams, each randomly assigned to the role of

negotiator or client. One team represented the management, and one team represented the union. The negotiators attempted to agree on a salary plan, choosing between seven predetermined plans. Subjects were told that these seven plans had been previously defined and discussed by the corporation and union executives.

These seven plans were assigned point values representing the degree of acceptability of the plans for union and the management. Participants were the both informed that these point totals had been predetermined by the budgeting department to represent the overall acceptability of the plan (see Table 1).

Participants were informed that their participation in the experiment allowed them to take part in a cash-prize lottery at the end of the data collection. They were told that the number of times their team would be entered in the lottery was determined by the plan on which they settled (see below).

Measures

Independent Variables. The three bargaining styles of cooperation, competition and individualism were manipulated by giving participants in these three conditions different information as to their ability to participate in a lottery based on their performance in the bargaining situation. Participants negotiated a agreement on one of the seven salary plans, each solution having different point outcomes.

participants were informed differently in the three conditions as to how their lottery participation was contingent on the settlement.

Bargaining styles were manipulated by the lottery participation, which was determined by the selected plan (see Appendix). Participants were told that all teams participating in the study could enter the lottery. Respondents assigned to the cooperative condition were told that their team's plan points would be added to the other team's plan points. Each team's lottery participation, or the number of times their team was entered in the lottery drawing, would be half the total plan points.

Respondents assigned to the <u>competitive</u> condition were told that their team's plan points would be subtracted from the other team's plan roints. The number of times each team was entered in the lottery would be their team's difference.

Respondents assigned to the <u>individual</u> condition were told that their team's plan points would be the amount of lottery participation they would receive and that this was not contingent on the other team's performance.

Dependent Variables. Manipulation checks were included on the questionnaires to assess the degree to which representatives and negotiators felt the bargaining style was cooperative, competitive or individualistic (see Appendix for actual measures). All items were assessed on 1 (low) to 7 (high) point scales.

Table 1
Salary Plans and Schedule of Point Totals for the Two Teams

| Plan Total | Management Point Total | Union Point Total | Total |
|---------------|---------------------------|----------------------|-------|
| Plan A | 50 | 10 | 60 |
| Plan B | 10 | 50 | 60 |
| Plan C | 30 | 30 | 60 |
| Plan D | 45 | 25 | 70 |
| Plan E | 25 | 45 | 70 |
| Plan F | 35 | 35 | 70 |
| Plan G | 40 | 40 | 80 |
| | | | |

Actor-observer questions were included to assess the extent to which negotiators and representatives had different perceptions of the negotiators' behavior made different causal attributions for the outcome of the bargaining interaction. For example, respondents were asked which determine the degree to negotiators' to Competitiveness, negotiators' cooperation, time restraints limited information helped the teams settle and outcome. All items were assessed on a 1 ("helped chances of reaching outcome") to 5 ("hurt chances of reaching outcome") point scale.

Distributive justice questions assessed both overall perceived fairness of the outcome and also attitudes toward different dimensions of the outcome. Outcome dimensions included satisfaction with the outcome, perceived fairness of the outcome, and ability to control the outcome. Questions were modified from Lind et al. (1980). (See Appendix for actual measures.)

Procedural justice questions assessed the overall perceived fairness of the procedure, attitudes toward different dimensions of the process (i.e., satisfaction with the process, control over the process) and assessment of importance of Leventhal's six criteria (i.e., consistency, bias suppression, accuracy, correctability, representation, and ethics). All but three items were assessed on a 1 (low) to 7 (high) point scale. The remaining two items had an

original scale of 1 (low) to 3 (high). Questions for this section were modified from Lind, et al. (1980). (See Appendix for actual measures.)

Procedure

Respondents participated in the study in groups of four, consisting of two teams of two people each. Respondents were preselected randomly to one of the four conditions: union negotiator, union client, management negotiator, and management client. Respondents were given a general background explanation of the study (see Appendix) upon arrival. Twelve groups participated in each bargaining style condition.

After reading the general background information, respondents then received the preliminary materials: instructions as to the case being negotiated; their part in the negotiations; the salary plan indicating their team's point values; but not indicating the other team's point values, and the rules for lottery participation. The experimenter reviewed the materials briefly with the participants to clarify any misunderstandings.

After reviewing the preliminary materials, respondents then separated into the two groups for the 10 - minute pre-negotiation discussion, during which participants were asked to outline on paper their strategy for negotiations.

After the allotted 10 minutes, participants reconvened

to negotiate an agreement on a salary plan. Respondents were told they had 20 minutes to attempt to reach an agreement.

After the 20 minutes of negotiation about the salary plans, or when the group reached an agreement, the respondents reported the outcome of the negotiations, indicating what plan they has chosen. Respondents then completed the dependent measures described above. After all respondents completed the questionnaires, the group was debriefed, thanked and dismissed.

RESULTS

Manipulation Check

Collapsing across the three bargaining style conditions, 58% of the teams chose plan G, a plan offering forty points to each team. Comparing the three bargaining styles, the cooperative bargaining style condition had the highest percentage (84%) of teams choosing plan G, whereas only 42% of the competitive bargaining style condition and 50% of the individual bargaining style condition chose plan G (see Table 2).

While 58% of all teams chose plan G, a choice of plan G meant different outcomes for each of the three bargaining style conditions. Collapsing across conditions, 52% of the respondents chose plans that allocated their team forty outcome points. The range of point total outcomes that teams received was from zero points to forty-five points (see Table 3). Three groups, two competitive bargaining style groups and one individual bargaining style group, did not reach agreement and therefore did not receive an outcome.

To analyze the strength of the bargaining style manipulation, two concepts were evaluated: (1) perceived cooperation, competition and individualism (assessed via three overall items); and (2) time needed to reach a

Table 2

Percentage of Plan Choices For All Bargaining Style

Conditions

| | | Condition | | |
|--------|-------------|-------------|------------|------------|
| | Competitive | Cooperative | Individual | |
| Plan | | | | Total |
| A | 0% | 0% | 0% | 0% |
| В | 8% | 8% | 0% | 6 % |
| C | 0% | 0% | 25% | 8% |
| D | 17% | 0% | 8% | 8% |
| E | 0% | 0% | 0% | 0% |
| F | 17% | 8% | 8% | 11% |
| G | 42% | 84% | 50% | 58% |
| | | | | |
| oup N: | N = 10 | N = 12 | N=11 | N=33 |

Three groups, two (17%) in the competitive condition and one (8%) in the individualistic condition, reached no agreement and therefore received no outcome.

Table 3

Outcome Point Totals for Respondents for each Bargaining

Style Condition

| | Number of | Respondents in E | Sach Condition |
|------------------|-------------|------------------|-----------------|
| | Competitive | Cooperative | Individualistic |
| | Condition | Condition | Condition |
| - Point Total | s | | |
| 0 | 34 | 0 | 0 |
| 20 | 4 | 0 | 0 |
| 25 | 0 | 0 | 2 |
| 30 | 0 | 4 | 12 |
| 35 | 0 | 4 | 4 |
| 40 | 2 | 40 | 24 |
| 45 | 0 | 0 | 2 |
| no outcome | 8 | 0 | 4 |
| Respondent | Total: | | |
| | 48 | 48 | 48 |
| | | | |

decision.

Individual 3(bargaining style) X 2(role)¹ analyses of variance (ANOVAs) were used to determine whether differences existed in perceptions of overall cooperation, competition and individualism. Results showed no significant differences in degree of perceived competition, F(3,143) = 0.49, n.s. (see Table 4).

In terms of perceived <u>cooperation</u>, there was a significant main effect of bargaining style, $\underline{F}(2,143) = 4.06$, $\underline{p} = .02$. These differences indicated that respondents in the competitive bargaining style condition rated themselves as less cooperative than did respondents in the individual condition, as determined by a Duncan test of differences at the $\underline{p} = .05$ level (see Table 4). Respondents in the cooperative condition saw themselves as neither more or less cooperative than the other conditions saw themselves.

There was also a significant main effect of role for perceived individualism, $\underline{F}(1,143) = 4.75$, $\underline{p} = .04$. Negotiators felt that the other team's possible outcome was significantly less important to them (M = 3.65) than it was to the representatives (M = 4.22).

^{&#}x27;Although role was a nested variable, Myers, DiCecci, and Lorch (1981) suggest that the possible range in alpha based on respondent and group sample size does not warrant analyzing role as a nested variable. Therefore, in this study, role was analyzed as a non-nested variable.

Table 4

Mean Differences of Cooperation, Competition and

Individualism among Bargaining Style Conditions Mean Scores Perceived Perceived Perceived Individualism³ Competition1 Cooperation² Condition and Role 4.42 5.08 3.79 Competitive (N=48) 5.20 4.44 3.68 Negotiator (N=25) 4.96 3.91 Representative (N=23) 4.32 4.83 5.63ab 4.106 Cooperative (N=48) 5.60 3.72 4.73 Negotiator (N=25) 5.65 4.52 Representative (N=23) 4.91 Individualistic (N=48) 4.65 5.88 3.88 4.73 5.96 3.56 Negotiator (N=25)

4.54

5.78

4.22

Representative (N=23)

⁻ No significant difference in perceived competition.

² - Main Effect of Condition, $\underline{F}(2,143) = 4.06$, $\underline{p} = .02$, where same letter (2) indicates statistically equal means.

³ - Main Effect of Role, $\underline{F}(1,143) = 4.75$, $\underline{p} = .03$.

In terms of the time required to reach an agreement, a one-way ANOVA disclosed a significant main effect of bargaining style, $\underline{F}(2,143)=3.01$, $\underline{p}=.05$. Further examination using a Duncan test showed that the cooperative bargaining style condition took significantly less time (M = 4.75 minutes) to reach an agreement that did the competitive condition (M = 7.33 minutes). The individual condition (M = 6.00 minutes) took neither significantly more nor less time than did the other two conditions.

Procedural Justice

The measure of perceived overall procedural justice consisted of the average of two items concerning: (1) how much the respondent trusted the procedure; and (2) how fair the respondent thought the procedure was.

To determine the relationship between outcome satisfaction and procedural justice, a measure of outcome satisfaction was developed by averaging across three items:

(1) how happy the respondent was with the outcome; (2) how satisfied the respondent and (3) how satisfied the respondent's teammate was with the outcome.

A 3(bargaining style) X 2(role) multivariate analysis of variance (MANOVA) was conducted on procedural justice and outcome satisfaction. This MANOVA indicated that there was a significant main effect of bargaining style, $\underline{F}(4,246)$ = 6.66, \underline{p} <.001. Examination of the univariate main effects indicated that the effects for both procedural fairness

 $(\underline{F}(2,124) = 7.11, \ \underline{p} = .001)$ and outcome satisfaction $(\underline{F}(2,124) = 10.23, \ \underline{p}(.001))$ were statistically significant.

In exploring the univariate main effect on perceived fairness, further Scheffe tests revealed one significant difference among means for the three bargaining styles. Specifically, respondents in the competitive bargaining style condition considered the procedure significantly less fair than did respondents in the individual condition, p = .05 (see Table 5). Respondents in the cooperative condition, however, did not consider the procedure significantly more fair than did those in the competitive group nor less fair than did those in the individual group.

In exploring the univariate main effect of satisfaction, further Scheffe tests disclosed two significant differences among means for the three bargaining styles. Specifically, respondents in the the competitive bargaining style condition reported significantly lower outcome satisfaction than did respondents in either the cooperative or the individual conditions, p's = .05. Respondents in the individual and the cooperative conditions reported a statistically equivalent level of satisfaction with the outcome (see Table 5).

Because the experimental procedure allowed for groups to determine their own outcomes, respondents in different bargaining style conditions had the opportunity to attain different outcomes (see above). Whereas most of the

Table 5

Mean Scores for Bargaining Style on Procedural Justice and Outcome Satisfaction

| | Means for | Bargaining St | tyle Condition |
|----------------------|--------------------------|--------------------------|----------------------------|
| | Perceived Competition | Perceived Cooperation | Perceived Individualism |
| Factor | | | |
| Procedural Justice | | | |
| | 4.01 | 4.39°b | 5.02 |
| | (N=48) | (N=47) | (N=48) |
| Outcome Satisfaction | 1 2 | | |
| | 4.470 | 5.544 | 5.55ª |
| | (N=40) | (N=47) | (N=44) |
| Correlation of Justi | ce and Satisf | action | |
| | .34 | . 44 | .57 |
| | (N=45) | (N=48) | (N=46) |
| | <u>p</u> =.01 | <u>p</u> < .001 | <u>p</u> <.001 |

Univariate Main Effect of Bargaining Style for Fairness, F(2,124) = 7.11, p < .001.

- ² Univariate Main Effect of Bargaining Style for Satisfaction, F(2,124) = 10.23, p < .001.
- a Same letters within justice effect (a & b) and satisfaction effect (c & d) indicate statistically equivalent results.

Note. Sample sizes vary somewhat due to incomplete data for some respondents.

competitive respondents' outcomes were zero points, most of the cooperative respondents' outcomes were forty points. In order to control for this variance in outcomes, a multivariate analysis of covariance (MANCOVA) was done using the point totals as a covariate. This MANCOVA indicated that the main effect of bargaining style was no longer significant, $\underline{F}(4,244) = 1.96$, n.s. Thus, outcome was important in determining differences in perceived procedural justice between the three bargaining styles.

Exploring the relationship between perceived procedural justice and outcome satisfaction, correlations between these two variables were examined. Collapsing across the three bargaining styles, a significant positive correlation existed between fairness and satisfaction. Furthermore, significant positive correlations were found for each of the three bargaining styles: competition, cooperation, and individualism (see Table 5).

Procedural Justice Components

In an attempt to understand the results discussed above, Leventhal's procedural justice components were explored. A factor analysis on all dependent variable items generated several meaningful factors for each bargaining style. Kaiser's criterion was used to determine the number of factors to retain (i.e., only factors with Eigenvalues greater than 1.0 were considered.) Only loadings above 0.40 were considered in interpreting and labeling factors. Items

that loaded above 0.40 on more than one factor were considered to load only on the factor on which they had the highest loading. For the cooperative bargaining style, ten theoretically meaningful factors with Eigenvalues greater than 1.0 emerged. Comparable factor analyses generated nine factors with Eigenvalues above 1.0 for the competitive bargaining style and eight factors with Eigenvalues above 1.0 for the individual bargaining style (see Table 6).

From these factor analyses, six interpretable factors were found to overlap across all three bargaining style conditions: (1) overall process and outcome satisfaction; (2) bias as personal gain; (3) ethics; (4) overall process and outcome control; (5) bias as concern in other's outcome; and (6) equal representation in preplanning and negotiations.

For the first five factors (i.e., satisfaction; bias as personal gain; ethics; overall control; and bias as concern in other's outcome), only identical items across conditions were retained for further analyses. Further, reliability analyses indicated items to be dropped from each factor in order to strengthen the internal consistency, as indicated by Cronbach's alpha (see Table 7). The largest percentage of variance was accounted for by the satisfaction factor (see Table 6). While a scree plot would suggest that only one global factor, satisfaction, underlies the responses for each bargaining style, meaningful factors with

Table 6

Factors Generated By Factor Analysis For Each Bargaining

Style Condition

| dition | Eigenvalue | % Common Variance |
|-------------------------|------------|----------------------|
| Cooperation (N=48) | | |
| satisfaction | 14.73 | 25.8 |
| bias - outcome mattered | 4.38 | 7.7 |
| representation | 4.10 | 7.2 |
| ethics | 3.25 | 5.7 |
| control - personal | 2.81 | 4.9 |
| representation-pre | 2.31 | 4.1 |
| bias - opinions | 1.95 | 3.4 |
| control - mate's | 1.62 | 2.8 |
| personal consistency | 1.53 | 2.7 |
| fairness | 1.32 | 2.3 |
| Competition (N=48) | | |
| satisfaction | 14.14 | 24.8 |
| representation | 5.43 | 9.5 |
| control | 3.84 | 6.7 |
| accuracy | 3.34 | 5.9 |
| ethics | 3.10 | 5.4 |
| bias - outcome mattered | 2.53 | 4.4 |
| bias - concern | 2.23 | 3.9 |
| procedural fairness | 1.82 | 3.2 |
| Individualism (N=48) | | |
| satisfaction | 10.46 | 18.4 |
| bias | 5.57 | 9.8 |
| ethics | 3.96 | 7.0 |
| control | 3.24 | 5.7 |
| representation | 3.12 | 5.5 |
| representation - during | 2.48 | 4.4 |
| bias - concern | 1.98 | 3.5 |
| bias - outcome mattered | 1.73 | 3.0 |

Table 7

Cronbach's Alphas for Factors with Identical Items Across

Bargaining Style Conditions

| | Bargaining Style Conditions | | |
|----------------------|-----------------------------|-------------|------------|
| C | Competitive | Cooperative | Individual |
| Factor | | | |
| Satisfaction | .94 | .95 | .93 |
| Bias as Personal Gai | n .81 | .96 | .93 |
| Ethics | .85 | .86 | .86 |
| Control | .84 | .86 | .80 |
| Bias as Concern for | Other's Outco | ome | |
| | .90 | .92 | .83 |
| Representation in Pr | eplanning | | |
| | .77 | .78 | .70 |
| Representation Durin | g Negotiatio | าร | |
| | .78 | .78 | .78 |
| | | | |

mostly identical items across conditions, the representation factor consisted of only one item, team's point of view expressed in final decision, that was consistent across bargaining style conditions. For the cooperative bargaining style, two representation factors emerged: (1) representation during preplanning and (2) representation during negotiations. In both the competitive and individual bargaining styles, an overall representation factor emerged. This factor, however, contained different items for both the competitive and individual bargaining styles.

Following the development of representation in the cooperative bargaining condition, two additional factors of representation, representation during preplanning and representation during negotiations, were developed. Reliability analysis indicated that these representation factors had Cronbach alphas of 0.70 or above (see Table 7).

Using these seven overlapping factors (i.e., satisfaction; bias as personal gain; ethics; control; bias as concern for other's outcome; representation during preplanning; and representation during negotiations), a 3 (bargaining style) X 2 (role) MANOVA was used to assess differences between the factors across the three bargaining styles (see Table 8). This analysis revealed a significant main effect for bargaining style, $\underline{F}(14,232) = 2.12$, $\underline{p} = .01$.

Univariate main effects of bargaining style were present on four of the seven overlapping factors: (1) satisfaction,

Table 8

Mean Differences in Bargaining Style of Seven Factors

| | Means for Bar | gaining Styl | le Conditions |
|---------------------------|---------------|--------------|---------------|
| Co | mpetition C | Cooperation | Individualism |
| Factor | | | |
| Satisfaction ^a | 4.49 | 5.40 | 5.68 |
| Bias as Personal Gain | 4.40 | 4.54 | 4.86 |
| Ethics | 4.74 | 5.10 | 5.38 |
| Control ⁴ | 4.27 | 4.73 | 4.93 |
| Bias as Concern for O | ther's Outcom | e | |
| | 5.05 | 4.50 | 4.81 |
| Representation During | Preplanningb | | |
| | 5.11 | 5.36 | 5.73 |
| Representation During | Negotiations | С | |
| | 4.88 | 5.33 | 5.60 |

a - Significant univariate main Effect, $\underline{F}(2,122) = 12.76$, p < .001.

b - Significant univariate main Effect, $\underline{F}(2,122) = 3.78$, $\underline{p} = .03$.

^c - Significant univariate main Effect, $\underline{F}(2,122) = 6.97$, $\underline{p} = .001$.

^d - Significant univariate main Effect, $\underline{F}(2,122) = 3.06$, $\underline{p} = .05$, although not individually statistically significant.

 $\underline{F}(2,122) = 12.76$, p < .001; (2) control, $\underline{F}(2,122) = 3.06$, p = .05; (3) representation during preplanning, $\underline{F}(2,122) = 3.78$, p = .03; and (4) representation during negotiations, $\underline{F}(2,122) = 6.97$, p = .001.

Duncan tests were used to further explore each univariate main effect and indicated important bargaining style condition differences in mean factor scores. Ratings of overall satisfaction were significantly lower for respondents in the competitive bargaining style condition than for respondents in the cooperative and individual bargaining style conditions (p's = .05). The ratings of overall satisfaction of respondents in the cooperative and individual bargaining styles did not statistically differ.

For representation during <u>preplanning</u>, ratings of equality of representation were significantly lower for respondents in the competitive bargaining style condition than in either the cooperative or individual bargaining style conditions (p's = .05). Again, ratings for respondents in the cooperative and the individual bargaining styles did not significantly differ.

Ratings of equality of representation during the negotiations showed a similar pattern. The competitive bargaining style perceived significantly less opportunity for equal representation than did the individual bargaining style. The cooperative bargaining style condition, however, indicated neither statistically more equality of representa-

tion than did the competitive style condition or less equality of representation than did the individual style condition.

Although the MANOVA model revealed a main effect of bargaining style for the control factor, probing the univariate bargaining style main effect solely for the control factor yielded a nonsignificant effect. Therefore, no further analysis of bargaining style group differences on the control factor was done.

The MANOVA also showed a significant main effect of role, $\underline{F}(7,116)=13.65$, $\underline{p}=.001$. Univariate main effect analysis indicated statistical significance only on the control factor, $\underline{F}(1,122)=81.80$, $\underline{p}<.001$. Here, as anticipated, perceived control was lower among representatives than among negotiators. This difference was statistically significant for each of the three bargaining style groups, as indicated by individual \underline{t} tests (see Table 9).

As discussed earlier, the experimental procedure allowed for groups to control their own outcome. Different bargaining style conditions could therefore attain different outcomes. In order to account for the effect differences in point total outcome may have on bargaining style differences, point total outcome was used as a covariate in a second 3(bargaining style) X 2(role) MANCOVA. Using point total outcome as a covariate, this MANCOVA indicated that the main

Table 9

Means for Negotiators and Representatives on Control Factor

| | Role | |
|------------------|---|----------------|
| | Negotiator | Representative |
| Bargaining Style | *************************************** | |
| | | |
| Cooperative | 5.71 | 3.56 |
| Cooperative | 5.71 5.17 | 3.56 3.26 |

Note. Mean differences for all bargaining conditions are significantly different as indicated by individual \underline{t} tests, $\underline{p} = .05$.

effect of bargaining style was no longer significant. Thus, outcome was important in determining differences between bargaining style conditions in perceptions of the importance of various procedural justice criteria.

Using point total outcome as a covariate did not impact the significant main effect of role, $\underline{F}(7,115) = 13.56$, $\underline{p} < .001$. Further analysis indicated a significant univariate main effect of bargaining style condition on control, $\underline{F}(1,121) = 81.81$, $\underline{p} < .001$.

Attribution Bias

In order to examine the notion that representatives and negotiators would attribute negotiator behavior to different causes, situation and disposition scales were developed from the attributional bias items. A disposition scale (Cronbach's alpha = .83) and a situation scale (Cronbach's alpha = .52) were theoretically defined in the development of the attributional bias assessment (see Table 10).

Disposition scale items included items on the negotiator's aggressiveness, cooperation, confidence, skill and competitiveness. Situation scale items included items assessing the type of situation, the perceived time restraint, the limitations of information, the amount of preplanning and the other team's strategy. Both the disposition and situation scales assessed the degree to which respondents perceived these items as having a positive

Table 10

Disposition and Situation Scales

| | Factor Loading |
|-------------------------------------|----------------|
| Scale | |
| Disposition Scale, Cronbach's Alpha | =.81 |
| Item | |
| 1. Negotiator's aggressivenes | s .71 |
| 2. Negotiator's cooperation | .66 |
| 3. Negotiator's competitivene | ss .74 |
| 4. Negotiator's confidence | .77 |
| 5. Negotiator's skill | .81 |
| Situation Scale, Cronbach's Alpha=. | 52 |
| Item | |
| 1. Work spent preplanning | .34 |
| 2. Type of situation | .77 |
| 3. Time restrictions | .65 |
| 4. Other team's strategy | .10 |
| 5. Limit of case knowledge | .65 |

or negative impact on reaching an outcome.

A 3(bargaining style) X 2(role) MANOVA was used to determine differences between the variables across the three bargaining styles. All means were low, indicating that respondents generally felt all situation and disposition attributes helped their chances of reaching an outcome. The MANOVA indicated that there was a significant main effect for bargaining style, $\underline{F}(4,274) = 2.49$, $\underline{p} = .04$. Univariate analyses revealed that while there was no main effect for the situation scale, $\underline{F}(2,138) = 1.31$, n.s., there was a significant univariate main effect for the disposition scale, $\underline{F}(2,138) = 5.00$, $\underline{p} = .01$, (Table 11).

Further probing of this univariate main effect using Duncan tests indicated that the competitive bargaining style condition rated the negotiator's disposition as much less helpful in reaching an outcome than did the cooperative and the individual bargaining style conditions. The ratings of the cooperative and individual bargaining styles did not significantly differ from each other. No significant main effect for role was found, $\underline{F}(2,137)=1.69$, n.s, indicating that no differences exist in the attribution styles of the negotiator and the representative.

Table 11

Bargaining Style Means for the Dispositional Scale and

Situational Scale

Means for Bargaining Style Conditions

Competitive Cooperative Individualistic

Scales

Disposition Scale¹

2.28*

1.835

1.900

(N=48)

(N=48)

(N=48)

Situation Scale

2.79

2.63

2.60

(N=48)

(N=48)

(N=48)

Univariate Main Effect of bargaining style for disposition, $\underline{F}(2,138) = 5.00$, $\underline{p} = .01$, where same letters indicate equivalent means.

DISCUSSION

Procedural Justice

The major hypothesis of this study was that cooperative style bargaining would be perceived by participants in a bargaining situation to be the most fair Results showed that respondents procedure. in the individual bargaining style condition found the procedure most fair, while respondents in the competitive condition procedure least fair. Respondents in found the cooperative condition considered the procedure neither less fair than did respondents in the individual condition nor more fair than did respondents in the competitive condition.

Past research (e.g., Crumbaugh & Evans, 1967; Rubin & Brown, 1975) suggests that competitive bargaining behavior may generate an atmosphere of suspicion. This lack of trust, coupled with the win-lose nature of the interdependent outcomes within the competitive bargaining style, may have led respondents to feel that the competitive condition was unfair.

While respondents in the competitive condition judged the procedure to be least fair, respondents in the individual bargaining style judged the procedure to be most fair. This may have been due, in part, to differences in

the degree of involvement in the experimental procedure between the two conditions. While respondents in the competitive condition were dependent on the other team for their team's outcome, respondents in the individual condition were not. Respondents in the individual condition may have felt less involved in the bargaining situation.

This lack of involvement in the individual bargaining style condition may have impacted perceptions of procedural justice by giving respondents no reason to lower their anticipated perceptions of procedural justice. Since this study did not assess anticipated perceptions of procedural justice, that is perceptions prior participation, this hypothesis cannot be tested with the present data.

Furthermore, the lack of distinction between (a) the cooperative style and (b) either the competitive or individualistic styles could be due to lack of sensitivity in the fairness measure or lack of statistical ability to detect a difference (i.e., a Type II error).

Procedural Justice Components

While differences existed between the bargaining styles in perceived procedural justice, the second hypothesis stated that differences would exist between bargaining styles in the perceived importance of Leventhal's (1980) criteria. Although results did not support predictions made in the hypothesis concerning specific differences in criteria (i.e., accuracy and consistency differences),

results indicated differences in several other of Leventhal's criteria. The criteria of importance in this study were overall satisfaction, ethics, overall control and equality of representation in both the preplanning and negotiation. The competitive group felt less satisfied and less equally represented than did the other groups.

While differences did not exist on the criteria of bias (assessed by having respondents indicate how concerned they were with aspects of the interaction and outcome), the bias criteria in this study was in contrast to the component of "suppression of bias," postulated by Leventhal (1980). Respondents in this study expressed bias toward their own outcome, not a desire to suppress this bias. The difference between bias in this study and Leventhal's "bias suppression" may be a function of the operationalization of bias. The measure of bias used in this study may not have allowed respondents to express a desire to suppress this bias during the negotiations. Further research should elaborate the construct of bias in terms of concern both for other's and self gain and in terms of the importance of preventing the expression of this bias.

The Relationship between Procedural Justice and Outcome

Consistent with the second hypothesis, these results indicated differences between bargaining styles on several of Leventhal's (1980) procedural justice criteria. It was further hypothesized that respondents who were satisfied

with their outcomes would be more likely to judge the procedure as fairer than those who were dissatisfied with their outcomes. Results provided support for this hypothesis in revealing a strong positive correlation between perceptions of procedural justice and outcome satisfaction. This relationship was found for all three bargaining styles. However, since outcome was not directly manipulated, the causal nature of this association cannot be determined from the present results.

Attribution Bias

Finally, it was hypothesized, based on the work of Jones and Nisbett (1972), that negotiators would attribute the causes of their own behavior to dispositional factors whereas the representatives would attribute the causes of the negotiator's behavior to situational factors. Results indicated no support for this hypotheses, finding no differences in the attributional styles of negotiators and representatives. This lack of support may be because both the negotiator and representative felt comparably involved in the negotiations, making the representative less of a true "observer" and more of an active participant. However, representatives did report feeling less control over the situation, so the roles were not perceived to be exactly the same.

Implications

These results have two important implications. The

implication is the importance of outcome first in perceptions of procedural justice. Although results indicated for several of the support hypotheses differences in perceptions of procedural justice, outcome was a dominating factor throughout the study. When point total outcome was used as a covariate, main effects of This dominance of outcome makes bargaining style vanished. intuitive sense when considering the nature of outcome control in the bargaining procedure. Bargaining, as procedure, allows disputants total control of the outcome, legal procedure where outcome control is in the hands of the third-party decision maker. Therefore, it may in procedures where outcome control is in the hands disputants, outcome becomes ofa very important component in perceptions of procedural justice.

The second implication of the present study is the importance of cooperation as a bargaining style. These results suggest negotiations that are competitive will be less satisfying and seen as less fair by the participants than other styles of negotiations. This is yet another reason to encourage cooperative or individualistic bargaining between groups or people in conflict.

If cooperative (or individualistic) bargaining styles are perceived as more satisfying and more fair, and as earlier research has suggested, lead to more effective bargaining by satisfactorily resolving conflict (Crumbaugh

& Evans, 1967; Keenan & Carnevale, 1989; Rubin & Brown, 1975), further research should explore the possibilities of training disputants to bargain cooperatively. Cooperative bargaining can be encouraged by skills training with parties in conflict to inform them of the advantages of cooperative bargaining. Key elements of perceived procedural justice important to parties in conflict, such as equal representation in all elements of the negotiation process, their own and the other party's potential outcomes, and achieving satisfaction in both the process and outcome, can be addressed in training parties to resolve conflict.

With these implications in mind, further research needs to explore perceptions of fairness in a variety of bargaining situations in order to expand the external validity of these results. Because conflict is an inevitable part of our daily lives, further research in perceptions of procedural justice in bargaining situations will help us both understand and promote effective and satisfying conflict resolution.

REFERENCES

- Barrett-Howard, E. & Tyler, T. (1986). Procedural justice as a criterion in allocation decisions. <u>Journal of Personality and Social Psychology</u>, 50, 296-304.
- Crumbaugh, C. & Evans, G. (1967). Presentation format. Psychological Reports, 20, 895-902.
- Deutsch, M. (1958). Trust and suspicion. <u>Journal of Conflict</u> Resolution, 2, 265-279.
- Deutsch, M. (1960). The effect of motivational orientation upon trust and suspicion. <u>Human Relations</u>, <u>13</u>, 123-140.
- Deutsch, M. (1973). The resolution of conflict: Constructive and destructive processes. New Haven: Yale University Press.
- Erlich, E. (Ed.). (1980). Oxford American Dictionary. New York: Oxford University Press.
- Jones, E. & Nisbett, R. (1971). The actor and the observer:
 Divergent perceptions of the causes of behavior. In E.
 Jones, D. Kanouse, H. Kelley, R. Nisbett, S. Valins, &
 B. Weiner (Eds.), Attribution: Perceiving the causes of
 behavior, pp. 79-94, Morristown, New Jersey: General
 Learning Press.
- Keenan, P., & Carnevale, P. (1989). Positive effects of within-group cooperation on between-group negotiation.

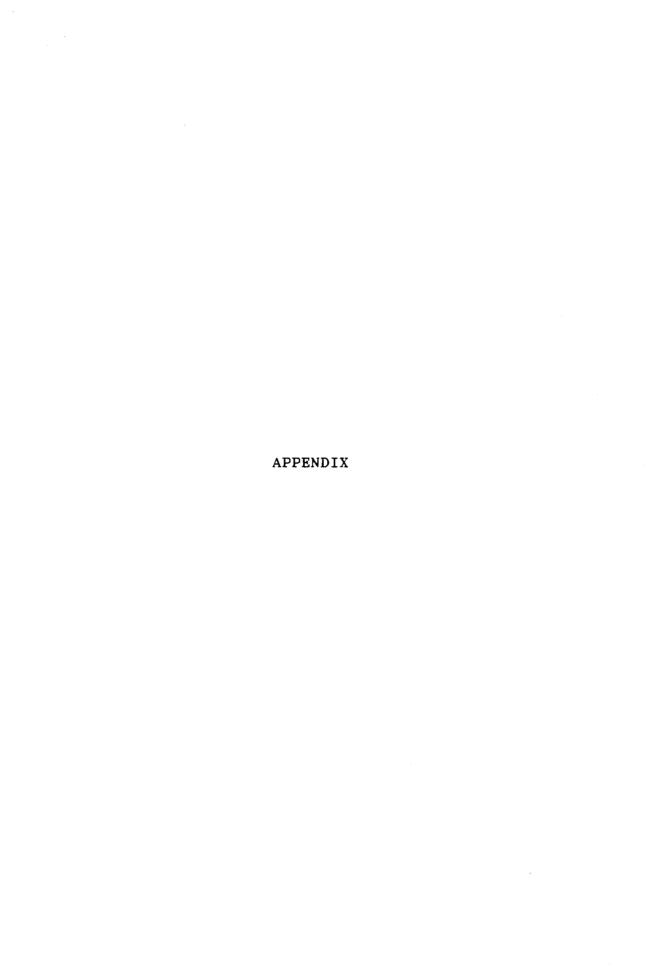
 <u>Journal of Applied Social Psychology</u>, 19, 977-992.
- Kelley, H. & Stahelski, A. (1970). Social interaction basis of cooperators' and competitors' beliefs about others.

 <u>Journal of Personality and Social Psychology</u>, 16, 66-91.
- LaTour, S. (1978). Determinants of participant and observer satisfaction with adversary and inquisitory modes of adjudication. <u>Journal of Personality and Social Psychology</u>, <u>36</u>, 1531-1545.
- Leventhal, G. (1980). What should be done with equity theory? In K. Gergen, M. Greenberg, & R. Weiss (Eds.), Social exchange: Advances in theory and research. New York: Plenum Press.

- Lind, E. A. (1982). The psychology of courtroom procedure. In N.L. Kerr & R. M. Bray (Eds.), The psychology of the courtroom, pp. 13-37, New York: Academic Press.
- Lind, E. A., Erickson, B., Friedland, N., & Dickenberger, M. (1978). Reactions to procedural models for adjudicative conflict resolution. <u>Journal of Conflict Resolution</u>, 22, 318-341.
- Lind, E. A., Kurtz, S., Musante, L., Walker, L., & Thibaut, J. (1980). Procedure and outcome effects on reactions to adjudicated resolution of conflicts of interest.

 Journal of Personality and Social Psychology, 39, 643-653.
- Myers, J., DiCecco, J., & Lorch, R. (1981). Group dynamic and individual performances: Pseudogroup and quasi F analyses. <u>Journal of Personality and Social Psychology</u>, 40, 86-98.
- Rawls, J. (1971). A theory of justice. Cambridge,
 Massachusetts: The Belknap Press of Harvard University
 Press.
- Rubin, J. & Brown, B. (1975). The social psychology of bargaining and negotiation. New York: Academic Press.
- Thibaut J. & Walker, L. (1975). <u>Procedural justice: A psychological analysis</u>. Hillsdale, New Jersey: Lawrence Erlbaum.
- Tyler, T. & Folger, R. (1980). Distributional and procedural aspects of satisfaction with citizen-police encounters.

 <u>Basic and Applied Social Psychology</u>, 1, 281-292.
- Tyler, T., Rasinski, K. & McGraw, K. (1985). The influence of perceived injustice on the endorsement of political leaders. <u>Journal of Applied Social Psychology</u>, <u>15</u>, 700 725.
- Walker, L., LaTour, S., Lind, E. A. & Thibaut, J. (1974). Reactions of participants and observers to modes of adjudication. <u>Journal of Applied Social Psychology</u>, 4, 295-310.
- Walster, E., Walster, G. & Bersheid, E. (1978). <u>Equity:</u>
 Theory and research. Boston: Allyn and Bacon.



Negotiation Case Riley's Restaurant Company Salary Negotiations

To: Riley's Restaurant Management Negotiator

From: Budgeting Department

Re: Current Salary Negotiations with Restaurant Union

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the management are represented below.

Salary Plans and Schedule of Point Totals Indicating Acceptability to Management

| Plan | | Management Acceptability |
|------|---|--------------------------|
| Plan | Α | 50 points |
| Plan | В | 10 |
| Plan | C | 30 |
| Plan | D | 45 |
| Plan | E | 25 |
| Plan | F | 35 |
| Plan | G | 40 |

Negotiation Case Riley's Restaurant Company Salary Negotiations

To: Riley's Restaurant Management Representative

From: Budgeting Department

Re: Current Salary Negotiations with Restaurant Union

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the management are represented below.

Salary Plans and Schedule of Point Totals Indicating Acceptability to Management

| Plan | Management Acceptability |
|--------|--------------------------|
| Plan A | 50 points |
| Plan B | 10 |
| Plan C | 30 |
| Plan D | 45 |
| Plan E | 25 |
| Plan F | 35 |
| Plan G | 40 |
| | |

MANAGEMENT PLANS - INFORMATION GIVEN ONLY TO MANAGEMENT

- pLAN A: (50 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.
- pLAN B: (10 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.
- PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.
- PLAN D: (45 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.
- PLAN E: (25 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 years.
- PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.
- PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

UNION PLANS - INFORMATION GIVEN ONLY TO UNION TEAM

- PLAN A: (10 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.
- PLAN B: (50 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.
- PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.
- PLAN D: (25 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.
- PLAN E: (45 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 year.
- PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.
- PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

Team lottery participation will be determined by taking your team's point total and subtracting the other team's total to give a final point total for the team.

Example 1:

points for union team = 40 points for management team = 10

union team:

40 - 10 = 30 points for union team

management team:

10 - 40 = -30 which is 0 points for management team

Example 2:

points for management team = 35 points for union team = 25

management team:

35 - 25 = 10 points for management team

union team:

25 - 35 = -10 which is 0 points for union team

Example 3:

no decision --

union and management team points = 0 no lottery participation

To: Riley's Restaurant Union Negotiator

From: Restaurant Union Budgeting Department

Re: Current Salary Negotiations with Restaurant Management

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the union are represented below.

| Plan | | Union | Acceptability |
|------|---|-------|---------------|
| Plan | A | 1 | 0 points |
| Plan | В | 5 | 50 |
| Plan | C | 3 | 30 |
| Plan | D | 2 | 25 |
| Plan | Ē | 4 | 15 |
| Plan | F | 3 | 35 |
| Plan | G | 4 | 10 |

To: Riley's Restaurant Union Representative

From: Restaurant Union Budgeting Department

Re: Current Salary Negotiations with Restaurant Management

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the union are represented below.

| <u>Plan</u> | | Union | Acce | eptability |
|-------------|---|-------|------|------------|
| Plan | Α | | 10 | points |
| Plan | В | | 50 | |
| Plan | C | | 30 | |
| Plan | D | | 25 | |
| Plan | E | | 45 | |
| Plan | F | | 35 | |
| Plan | G | | 40 | |
| | | | | |

MANAGEMENT PLANS - INFORMATION GIVEN ONLY TO MANAGEMENT

PLAN A: (50 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

PLAN B: (10 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (45 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (25 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 years.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

UNION PLANS - INFORMATION GIVEN ONLY TO UNION TEAM

PLAN A: (10 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

PLAN B: (50 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (25 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (45 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 year.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

Team lottery participation will be determined by taking your team's point total and subtracting the other team's total to give a final point total for the team.

Example 1:

points for union team = 40 points for management team = 10

union team:

40 - 10 = 30 points for union team

management team:

10 - 40 = -30 which is 0 points for management team

Example 2:

points for management team = 35 points for union team = 25

management team:

35 - 25 = 10 points for management team

union team:

25 - 35 = -10 which is 0 points for union team

Example 3:

no decision --

union and management team points = 0 no lottery participation

Negotiation Case Riley's Restaurant Company Salary Negotiations

To: Riley's Restaurant Management Negotiator

From: Budgeting Department

Re: Current Salary Negotiations with Restaurant Union

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the management are represented below.

| <u>Plan</u> | Management Acceptability |
|-------------|--------------------------|
| Plan A | 50 points |
| Plan B | 10 |
| Plan C | 30 |
| Plan D | 45 |
| Plan E | 25 |
| Plan F | 35 |
| Plan G | 40 |
| | |

Negotiation Case Riley's Restaurant Company Salary Negotiations

To: Riley's Restaurant Management Representative

From: Budgeting Department

Re: Current Salary Negotiations with Restaurant Union

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the management are represented below.

| Plan | | Management Acceptability |
|------|---|--------------------------|
| Plan | A | 50 points |
| Plan | В | 10 |
| Plan | C | 30 |
| Plan | D | 45 |
| Plan | E | 25 |
| Plan | F | 35 |
| Plan | G | 40 |

MANAGEMENT PLANS - INFORMATION GIVEN ONLY TO MANAGEMENT

pLAN A: (50 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

pLAN B: (10 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (45 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (25 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 years.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

UNION PLANS - INFORMATION GIVEN ONLY TO UNION TEAM

PLAN A: (10 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

PLAN B: (50 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (25 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (45 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 year.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

Team lottery participation determined by adding both team's points together then dividing by 2.

Example 1:

points for union team = 30 points for management team = 30

total points = 60 divide by 2 = 30

TEAM TOTAL = 30 points

Example 2:

points for union team = 30 points for management team = 10

total points = 40 divide by 2 = 20

TEAM TOTAL = 20 points

Example 3:

no decision--

union and management team points = 0 no lottery participation

To: Riley's Restaurant Union Negotiator

From: Restaurant Union Budgeting Department

Re: Current Salary Negotiations with Restaurant Management

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the union are represented below.

| <u>Plan</u> | | Union | Acceptability |
|-------------|---|-------|---------------|
| Plan | Α | 3 | 10 points |
| Plan | В | 5 | 50 |
| Plan | C | | 30 |
| Plan | D | 2 | 25 |
| Plan | E | 4 | 15 |
| Plan | F | 3 | 35 |
| Plan | G | 4 | 10 |
| | | | |

To: Riley's Restaurant Union Representative

From: Restaurant Union Budgeting Department

Re: Current Salary Negotiations with Restaurant Management

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the union are represented below.

| <u>Plan</u> | Union | Acceptability |
|-------------|-------|---------------|
| Plan A | | 10 points |
| Plan B | | 50 |
| Plan C | | 30 |
| Plan D | | 25 |
| Plan E | | 45 |
| Plan F | | 35 |
| Plan G | | 40 |

MANAGEMENT PLANS - INFORMATION GIVEN ONLY TO MANAGEMENT

PLAN A: (50 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

PLAN B: (10 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (45 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (25 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 years.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

UNION PLANS - INFORMATION GIVEN ONLY TO UNION TEAM

PLAN A: (10 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

PLAN B: (50 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (25 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (45 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 year.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

Team lottery participation determined by adding both team's points together then dividing by 2.

Example 1:

points for union team = 30 points for management team = 30

total points = 60 divide by 2 = 30

TEAM TOTAL = 30 points

Example 2:

points for union team = 30 points for management team = 10

total points = 40 divide by 2 = 20

TEAM TOTAL = 20 points

Example 3:

no decision-union and management team points = 0
no lottery participation

Negotiation Case Riley's Restaurant Company Salary Negotiations

To: Riley's Restaurant Management Negotiator

From: Budgeting Department

Re: Current Salary Negotiations with Restaurant Union

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the management are represented below.

| <u>Plan</u> | Management Acceptability |
|-------------|--------------------------|
| Plan A | 50 points |
| Plan B | 10 |
| Plan C | 30 |
| Plan D | 45 |
| Plan E | 25 |
| Plan F | 35 |
| Plan G | 40 |
| | |

Negotiation Case Riley's Restaurant Company Salary Negotiations

To: Riley's Restaurant Management Representative

From: Budgeting Department

Re: Current Salary Negotiations with Restaurant Union

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the management are represented below.

| Plan | | Management Acceptability | 7 |
|------|---|--------------------------|---|
| Plan | A | 50 points | |
| Plan | В | 10 | |
| Plan | C | 30 | |
| Plan | D | 45 | |
| Plan | E | 25 | |
| Plan | F | 35 | |
| Plan | G | 40 | |

MANAGEMENT PLANS - INFORMATION GIVEN ONLY TO MANAGEMENT

PLAN A: (50 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

PLAN B: (10 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (45 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (25 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 years.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

UNION PLANS - INFORMATION GIVEN ONLY TO UNION TEAM

PLAN A: (10 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

PLAN B: (50 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (25 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (45 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 year.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

Team lottery participation will be determined by taking your team's point total as the final point total for the team.

Example 1:

points for union team = 40 points for management team = 10

union team:

40 points for union team

management team:

10 points for management team

Example 2:

points for management team = 35 points for union team = 25

management team:

35 points for management team

union team:

25 points for union team

Example 3:

no decision--

union and management team points = 0 no lottery participation

To: Riley's Restaurant Union Negotiator

From: Restaurant Union Budgeting Department

Re: Current Salary Negotiations with Restaurant Management

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the union are represented below.

| <u>Plan</u> | | Union | Acceptability |
|-------------|---|-------|---------------|
| Plan | A | | 10 points |
| Plan | В | | 50 |
| Plan | C | | 30 |
| Plan | D | | 25 |
| Plan | E | | 45 |
| Plan | F | | 35 |
| Plan | G | | 40 |
| | | | |

To: Riley's Restaurant Union Representative

From: Restaurant Union Budgeting Department

Re: Current Salary Negotiations with Restaurant Management

Our department has outlined below the acceptability of the seven salary plans defined and discussed at the recent management-union executive meeting. These seven plans and the point values to indicate the acceptability of each plan to the union are represented below.

| <u>Plan</u> | Union | Acceptability |
|-------------|-------|---------------|
| Plan A | | 10 points |
| Plan B | | 50 |
| Plan C | | 30 |
| Plan D | | 25 |
| Plan E | | 45 |
| Plan F | | 35 |
| Plan G | | 40 |

MANAGEMENT PLANS - INFORMATION GIVEN ONLY TO MANAGEMENT

PLAN A: (50 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

PLAN B: (10 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (45 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (25 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 years.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

UNION PLANS - INFORMATION GIVEN ONLY TO UNION TEAM

PLAN A: (10 points) This plan offers the workers a 1% salary increase and a 1% increase in benefits over the next 3 years.

PLAN B: (50 points) This plan offers the workers a 5% salary increase and a 5% increase in benefits over the next 3 years.

PLAN C: (30 points) This plan offers the workers a 3% salary increase and a 3% increase in benefits over the next 3 years.

PLAN D: (25 points) This plan offers the workers a 2.5% salary increase and a 2.5% increase in benefits over the next 3 years.

PLAN E: (45 points) This plan offers the workers a 4.5% salary increase and a 4.5% increase in benefits over the next 3 year.

PLAN F: (35 points) This plan offers the workers a 3.5% salary increase and a 3.5% increase in benefits over the next 3 years.

PLAN G: (40 points) This plan offers the workers a 4% salary increase and a 4% increase in benefits over the next 3 years.

Team lottery participation will be determined by taking your team's point total as the final point total for the team.

Example 1:

points for union team = 40 points for management team = 10

union team:

40 points for union team

management team:

10 points for management team

Example 2:

points for management team = 35 points for union team = 25

management team:

35 points for management team

union team:

25 points for union team

Example 3:

no decision--

union and management team points = 0 no lottery participation

RESPONDENT QUESTIONNAIRE

Below are a few general questions about the negotiations in which you have just participated. Please read and answer all questions.

| 1) | On what | team were | you? | | | | | |
|-----|-------------|-------------------------------|------------|--------------|--------|------------------|-----|-----|
| | | manageme | nt team | - | union | team | | |
| 2) | What to | pic did yo | u have for | negotia | tions? | | | |
| | | teacher restaura | | | | ions | | |
| 3) | On whic | ch plan did | you agree | ? | | | | |
| | | _plan A _plan D _plan G | pl | an B an E | | elan C elan F | | |
| 4) | How mar | y points w | as that pl | an worth | to you | r team? | | |
| • | | o beginnin erson who | | | | ld you | say | you |
| - | at all | 23- | 4 | 5 | | 7 ery well | l | |
| kne | | to beginni person who | | | | | | |
| not | 1 at all | 2 | -34 | 5 | | 6 ery well | | |

| 1 |
|--|
| 8) During the negotiations, how important was it to you that the opposing team get a good outcome? |
| 17 very unimportant very important |
| 9) During the negotiations, how important was it to you to get a better outcome than the other team? |
| 17 very unimportant very important |
| 10) During the negotiation, how important to you was the other team's possible outcome? |
| 17 very unimportant very important |
| 11) To what degree do you feel both teams cooperated with each other during the negotiation process? |
| 17 did not cooperate did cooperate |
| 12) To what degree do you feel both teams competed with each other during the negotiation process? |
| 17 did not compete did compete |
| |
| |

7) Prior to beginning the study, how well would you say you knew the person who participated as the client for the other

team?

Negotiation Preplanning

Below are several questions concerning the preplanning process you have just participated in. Please read and answer each question carefully.

| 1) Do you think you and your in the negotiation preplanning? | |
|---|---|
| participation wa | omewhat more than my teammate s equal icipated somewhat more than I |
| 2) Did the negotiation preplann teammates point of view? | ing favor either you or your |
| preplanning favo preplanning did preplanning fa view | red my point of view not favor either vored my teammate's point of |
| 3) During the preplanning, how were with the outcome you perso | |
| 14 very unconcerned | 567 very concerned |
| 4) During the preplanning, ho teammate was with the outcome h | |
| 14 very unconcerned | very concerned |
| 5) How much of the information to formulate a strategy was bargaining case? | |
| 14very little information | 567 great deal of information |
| | |

| 6) How similar do you think your negotiati team were with the the preplanning strates | |
|---|--|
| 15negotiations different from preplanning | -67 negotiations similar to preplanning |
| 7) Did the strategy you and your teammate your point of view? | e developed reflect |
| 15did not reflect my point of view | did reflect my point of view |
| 8) Did the strategy you and your teammate your teammate's point of view? | developed reflect |
| 15did not reflect teammate's point of view | did reflect teammate's point of view |
| 9) How easily do you feel you were abpoint of view during the preplanning? | ole to express your |
| 15 | very easily |
| 10) How easily do you feel your teammate whis/her point of view during the preplanni | |
| 15not very easily | 67 very easily |
| 11) How ethical do you think your preplann | ing strategy was? |
| 15not very ethical | 67 very ethical |
| | |

| | t particip | | | | | s in which all items |
|-----------------|--------------------------|--------------------|-----------------------|-----------------|------------------------|-------------------------|
| | well did opposing s | | your ne | gotiator |) present | your case |
| 1 not ver | 2 y well | 3 | 4 | 5 | | 7 well |
| | | | | | into dev replanning | veloping ag? |
| 1 little | 2 effort | 3 | 4 | 5 gr | 6 at deal o | 7 of effort |
| | much effor y during n | | | | oping a ne | egotiation |
| 1 little | 2 effort | 3 | 4 | | 6 cat deal o | |
| | satisfied ed during | | | | point of | view was |
| 1 not ver | 2 y satisfie | 3 d | 4 | 5 | 6 very sat | zisfied |
| | what extenotiations? | | ou able t | to contr | ol what ha | ippened in |
| 1 little (| 2 control | 3 | 4 | 5 | 6 gres | t deal of |
| 6) How point of | much oppo f view dur | rtunity ing the | did each negotiati | n side lons? | have to pr | resent its |
| 1 little | 2 opportunit | 3 y | 4 | 5 | 6 7 much oppo | |

| | | nuch win? | | you | think | you | r teamma | te war | ited t | he other |
|-------------|-------|------------------|------|----------|-------|-------|----------|---------|---------------------------|----------|
| 1 wan | ted (| | sid | 3 e | | 4 | 5 | | 7 ot want .de to w | |
| 8) I | łow i | nuch | do y | ou t | hink | you w | anted y | our opp | onent t | o win? |
| 1 want | ted (| | side | 3 e | | 4 | 5 | | 7 not want .de to w | |
| 9) H win | | much | do | you | thin | k you | r teamma | te want | ed your | side to |
| 1 want | | 2 your win | side | 3 | | 4 | 5 | | 7 not want le to wi | • |
| 10) | How | much | did | you | want | to w | in? | | | |
| 1 not | ver | 2 y muc | h | 3 | | 4 | 5 | 6 | 7 great | deal |
| 11) | How | much | did | the | nego | tiati | ons favo | r your | team? | |
| 1 not | ver | 2 y muc | h | 3 | | 4 | 5 | 6 | 7 great | deal |
| 12) | How | much | did | the | nego | tiati | ons favo | r your | opponen | t? |
| 1 not | ver | 2 y muc | h | 3 | | 4 | 5 | 6 | 7 great | deal |
| 13) | How | sati | sfie | d ar | e you | with | the neg | otiatio | n proce | dure? |
| 1 not | ver | 2 y sa | tisf | 3 ied | | 4 | 5 | | 7 tisfied eal | a great |
| | | | | | | | | | | |

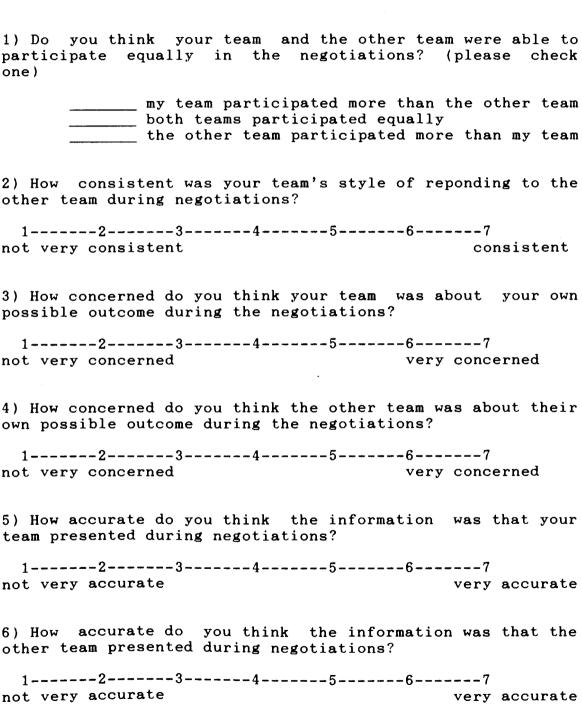
| | ch would you uture disput | | his nego | tiation | procedure | e in |
|---------------------------------|------------------------------|------------|-----------|----------------------|------------------------------|------|
| 1 2 would not t | 2 3 trust | 4 | 5 | 6 w | 7 ould trus | t |
| 15) How fai | r do you th | nink the n | egotiati | on proced | dure was? | |
| 1 2 not very fa | | 4 | 5 | 6 V | 7 ery fair | |
| negotiation | a few quas the set | tlement t | hat was | reached. | | |
| | think the ou at it does r | | - | | is unbias | sed, |
| 1 2 biased-favo more than | ors one side | 4 | 5 unb | 6 iased-fa sid | 7 vors neith le | ner |
| | accept the flection of | | | | | an |
| 1 2 inaccuratel points | | 4 | 5 | | 7 cely refle s of view | ects |
| 3) How happ | oy did you f | eel when | the outco | ome was 1 | reached? | |
| 1 2 not very ha | • | 4 | 5 | 6 vei | 7 ry happy | |
| 4) How sati | sfied was y | our teamm | ate with | the out | come? | |
| 1 2 not very sa | | 4 | 5 | 6 very sa | 7 atisfied | |
| | | | | | | |

| 1 not ver | 2 y satisfie | 3 d | 4 | 5 | 6 very sa | 7 tisfied | |
|-------------------|-------------------------|-----------|-----------|---------|---------------|----------------|---|
| 6) How final o | | vement d | id you | have | in deci | ding on th | е |
| 1 little | 2 involvemen | 3 .t | 4 | 5 | 6 much inv | • | |
| | much invo final outc | | did you | r teamn | nate have | in decidin | g |
| 1 little | 2 involvemen | 3 t | 4 | 5 | 6 much inv | · · · · · · | |
| 8) How | responsibl | e was you | ur teamma | ate for | your ou | tcome? | |
| 1 not ver | 2 y responsi | 3 ble | 4 | 5 | 6 very re | 7 sponsible | |
| 9) How | responsibl | e were yo | ou for th | ne outo | ome? | | |
| 1 not ver | 2 y responsi | 3 ble | 4 | 5 | 6 very re | 7 sponsible | |
| 10) How | satisfied | are you | with the | e negot | iations? | | |
| 1 not ver | 2 y satisfie | 3 d | 4 | 5 | 6 very s | 7 atisfied | |
| 11) How | fair do y | ou think | the out | come wa | s? | | |
| 1 not ver | 2 y fair | 3 | 4 | 5 | - | 7 fair | |
| | | | | | | | |
| | | | | | | | |

5) How satisfied were you with the outcome?

Negotiation Questionnaire

Below are several questions concerning the negotiation process you just participated in. Please read and answer each question.



very much

| 8) How much do you think the other team's interests were considered during the negotiation process? |
|--|
| 1 |
| 9) How ethical do you think the negotiation process you just participate in was in settling this case? |
| 1 |
| 10) How consistent is the settlement you reached with the preplanning expected settlement? |
| 17 not very consistent very consistent |
| 11) Was the final decision was consistent with the way the negotiations were going up to that point? |
| 17 not very consistent very consistent |
| 12) When the final decision was made, how much did you think about what you personally would gain from the decision? |
| 1 |
| 13) When the final decision was made, how much do you think your teammate thought about what he/she personally would gain from the decision? |
| 17 not very much very much |
| |

7) How much do you think your team's interests were

considered during the negotiation process?

not very much

| the other | team member | rs were t | | | | | |
|---------------|--|------------|-----------|------------|-----------|------|------------|
| _ | -23 | 4 | 5 | 6 | | | • |
| not very n | nuch | | | | very | muc | eh |
| | accurate do d by both s | | | | | | . was |
| 1 | -23 | 4 | 5 | 6 | 7 | | |
| not very a | accurate | | | | very | accı | ırate |
| | asily do you ision once imenter? | | | | | | |
| 1 | -23 | 4 | 5 | 6 | 7 | | |
| not very e | easily | | | | very | easi | 1 y |
| | ting the fi | | sion, do | you fe | eel you | r te | eam's |
| 1 | -23 | 4 | 5 | 6 | 7 | | |
| not really | v considered | i | | reall | ly cons | ider | ed |
| | making the | | | , do you | feel t | he c | ther |
| _ | -23 considered | | | 6 reall | | ider | ed |
| 19) How et | thical do yo | ou conside | er the fi | inal deci | sion t | o be | ? |
| 1 not very | -23 ethical | 4 | 5 | 6 | 7 very | ethi | cal |
| | thical do yo in making t | | | | and t | he c | ther |
| 1 not very | -23 ethical | 4 | 5 | 6 | 7 very | ethi | cal |
| | | | | | | | |

Below is a list of things that may have had an impact on your outcome. Please rate what type of impact these things had on reaching the outcome. An item has a positive impact when it helped your chances of reaching an outcome. An item has a negative impact when it hurt your chances of reaching an outcome. Please rate all items below using the following scale.

1--very positive impact on reaching outcome 2--somewhat positive impact on reaching outcome 3--no impact on reaching outcome

4--somewhat negative impact on reaching outcome 5--very negative impact on reaching outcome

WHAT TYPE OF IMPACT DID THE FOLLOWING ITEMS HAVE:

1) your negotiator's aggressiveness during

| | negotiations |
|----|---|
| 2) | the amount of work spent on negotiation preplanning |
| 3) | your negotiator's ability to cooperate with the |
| | other team |
| 4) | the type of situation that was being negotiated |
| 5) | your negotiator's ability to compete with the other |
| | team |
| 6) | the time restrictions of the negotiations |

7) your negotiator's confidence during negotiations

8) the other team's negotiation strategy

team's suggestions

10) ____ the limit of knowledge that was available about the

9) your negotiator's skill in responding to the other

APPROVAL SHEET

The thesis submitted by Elizabeth Sanders has been read and approved by the following committee:

Dr. R. Scott Tindale, Director Assistant Professor, Psychology, Loyola

Dr. Fred B. Bryant Associate Professor, Psychology, Loyola

The final copies have been examined by the director of the thesis and the signature which appears below verifies the fact that any necessary changes have been incorporated and that the thesis is now given final approval by the Committee with reference to content and form.

The thesis is therefore accepted in partial fulfillment of the requirements for the degree of Master of Arts.

//28/69 / Date

Signature