
Research Digest

Should Women Ask or Not?

Why is it that prior studies suggest that women are less likely to initiate negotiations, at least in situations in which they represent themselves?

A recent cluster of studies suggests that women who try to negotiate job offers and secure a better salary are judged more harshly than men who do and say exactly the same thing. Both men *and* women judge them more harshly. The fact that it *can* hurt a woman to ask poses a challenge to one-size-fits-all theories of negotiation and to previous research that has focused on internal motivations for gender differences in negotiation.

Authors Hannah Riley Bowles, Linda Babcock, and Lei Lai describe the results of four experiments that demonstrate gender differences in negotiation, explaining their findings in terms of the different ways in which society treats men and women. Their research suggests that women's disinclination relative to men to initiate negotiations over such issues as compensation may be traced to the higher societal costs that they face when doing so.

These findings reinforce the importance of examining both the social and economic outcomes of negotiation and also contribute to the growing body of literature on gender in negotiation. It should help shift the focus away from "fixing the women" to addressing the social conditions that motivate these gender differences.

Source: Bowles, H. R., L. Babcock, and L. Lai. 2007. Social incentives for gender differences in the propensity to initiate negotiations: Sometimes it does hurt to ask. *Organizational Behavioral and Human Decision Processes* 103: 84-103.

The Power of First Impressions

You may have to read to the end of a well-crafted mystery story to discover "who done it," but a negotiation may give away its ending sooner. According to a study by Jared Curhan and Alex Pentland, important conversational clues may be apparent in the first five minutes. Their study extends current research on the "thin slices" phenomenon and how it applies to impression formation. But where most of this research focuses on the accuracy of intuition and snap judgments, their research uses computer algorithms to generate predictions.

The study extracted four conversational speech features (activity, engagement, emphasis, and mirroring) from the first five minutes of a simulated employment negotiation. These features were microcoded by a computer. The researchers found that these speech features were highly predictive of individual outcomes.

Technology-based algorithms have the potential to offer early predictions about the likely outcome of negotiations. These diagnostic tools could be used for training and evaluation and could also save negotiators time and energy at the beginning of a negotiation.

Source: Curhan, J. R. and A. Pentland. 2007. Thin slices of negotiation: Predicting outcomes from conversational dynamics within the first five minutes. *Journal of Applied Psychology* 92(3): 802-811.

Mobilizing Resiliency

Negotiations can be exhausting and disheartening, especially when the stakes are high and the prospects for agreement seem slim. Yet some people persevere in such situations and snatch victory from the jaws of impasse.

In an optimistic article, Bert Spector argues for drawing a closer connection between the vast amount of research on personal resilience generally and on negotiation in particular. He asserts that resilience is an attitude and skill that can be taught.

Resiliency is the human motivation to face, overcome, and be strengthened by adverse experiences. Could this be a negotiation resource that would help yield breakthroughs and avert deadlocks? Spector believes that it could be. In this article, he examines international negotiations (e.g., the 1994 Dayton Agreement, the 1992 Oslo talks on Middle East peace, the Tamarasset Accord of 1991) that rebounded from deadlock in which negotiator resilience seems to have played an important role. His examples seem to demonstrate how a new forcefulness and new hope were introduced into the talks. But it is necessary to delve deeper into each case to understand the role of resiliency in light of findings from the literature on psychological resiliency.

Resiliency can be nurtured by relationships and communities. Training modules for negotiators, developed utilizing findings from the experimental literature and from case analysis of select international negotiations, can be designed to help negotiators become more resilient.

Source: Spector, B. I. 2006. Resiliency in negotiation: Bouncing back from impasse. *International Negotiation* 11: 273-286.

Empathy Doesn't Mean It's a Success, Rejection Doesn't Mean It's Over

In *Beyond Winning*, Robert Mnookin, Scott Peppet, and Andrew Tulumello emphasized the importance of both assertiveness *and* empathy in negotiation. A recent linguistic study, however, suggests that sometimes empathy is rejected, which further complicates our understanding of the negotiation process.

Authors Bilyana Martinovski, David Traum, and Stacy Marsella analyze different scenarios in which eliciting, giving, accepting, and rejecting empathy are strategic choices in a negotiation. Focusing on rejection, they examine how it occurs in different situations. They distinguish among the various ways in which both empathy and rejection are expressed and then probe for the reasons why one party chooses to reject the other party's attempt at expressing empathy. Sometimes it's because the empathy expressed does not recognize the rejector's actual needs. But one example demonstrates how the rejection of empathy was used strategically to obtain a stronger position in the negotiation. So, while the rejection of empathy can complicate the process, it does not necessarily mean that the negotiation is doomed to failure.

Source: Martinovski, B., D. Traum, and S. Marsella. 2007. Rejection of empathy in negotiation. *Group Decision and Negotiation* 16: 61-67.

In Support of Dissent

Chief Justice John Roberts has noted the rarity of unanimous Supreme Court opinions in recent years and has pledged to seek greater consensus, so far without much success.

By contrast, the dispute resolution procedures of the World Trade Organization (WTO) have produced almost no dissent. Meredith Kolsky Lewis argues that frequent consensus may not be a good thing. Squelching dissent may have helped boost the legitimacy of the WTO Appellate Body by giving it a strong, unified membership, but keeping a lid on dissent may ultimately erode the strength of the dispute settlement system.

She warns that the Appellate Body should do away with the "consensus at all costs" mentality and realize the benefits of separate opinions. According to Lewis's hypothesis, dissent should be encouraged because it can help improve majority opinion, provide a road map for future jurists revisiting the same issue, and highlight ambiguities in the laws that should spur legislators into action.

Source: Lewis, M. K. 2006. The lack of dissent in WTO dispute settlement. *Journal of International Economic Law* 9(4): 895-931.

Cooperation in the Face of Competition

Several years ago Adam Brandenberger and Barry Nalebuff described the phenomenon of “cooperation” in their book of the same name. In a nutshell, it describes the behavior of rival firms that may nonetheless tacitly cooperate.

In a recent article, Luis Mesquita describes a model in which third parties facilitate trust relationships among such firms. Clustered firms (geographic concentrations of interconnected businesses, such as in Silicon Valley) face the challenge of cooperating despite competition in an effort to keep ahead of common foreign competitors. Trust facilitators are brought in to reconstruct the relationship and build trust.

The trust facilitation process does not eliminate distrust and competition; rather, it requires firms to supplement their competitive interactions with cooperative ones. Trust facilitators leverage their reputation, leadership skills, and entrepreneurial skills to create opportunities for joint action and technology sharing.

Source: Mesquita, L. F. 2007. Starting over when the bickering never ends: Rebuilding aggregate trust among clustered firms through trust facilitators. *Academy of Management Review* 32(1): 72-91.

Getting to the Source

David Lax and James Sebenius characterized the negotiator’s dilemma as the tension between creating and claiming value. That tension has been a cornerstone of negotiation analysis.

A recent special issue of the *Academy of Management Review* puts value creation (and capture) in a broader social context. Specifically, in their introductory article, David Lepak, Ken Smith, and Susan Taylor define value creation in terms of *use value* and *exchange value*. These are two important economic conditions that are necessary for value creation to endure.

The authors go on to describe the possible ways value is created and captured by an individual, organization, or society. Their central argument is that both value creation and the value capture processes are highly dependent on the identity of the person or entity that initiated the activity, or the “source” because individuals, organizations, and society have competing interests and viewpoints about what is valuable. For example, marketing scholars may emphasize creation of value for business owners; scholars from sociological or economic disciplines may focus on value creation in terms of societal gains.

Lepak, Smith, and Taylor’s introductory article raises many questions that they hope future researchers will tackle, including whether value

creation activities can survive long term if only one party is satisfied. A greater understanding of value creation may help all parties prosper in a competitive world.

Source: Lepak, D. P., K. Smith and M. S. Taylor. 2007. Value creation and value capture: a multilevel perspective. *Academy of Management Review* 32: 180-194.