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# Research Digest

## Scout Your Competition Before the Big Game

Competitions are by their very nature relative. The question isn't how good you are in the abstract but whether you're stronger (or weaker) than the person on the other side of the chess table. Nevertheless, recent studies suggest that we are myopic when it comes to gauging our positions. We focus on our strengths, not those of others, which can be a real trap for negotiators.

Joseph Radzevick and Don Moore chose athletic competition as the context in which to study competitors' perceptions of contests featuring interdependent performance, as they provide clear, unambiguous outcomes and standards of success or failure. Their studies focused on sports betting, college intramural soccer leagues, and National Football League game predictions.

Their results demonstrated that decision makers relied too heavily on information about their own teams (easily obtained and close at hand) and failed to gather information about the competition. This suggests that people don't pay enough attention to their competitors when making future decisions involving them. Such inattention isn't unique to athletics. The research presented here also supports evidence that negotiators focus too much on themselves and too little on the other side, consequently underestimating the other party's strengths and failing to take that into account when developing their negotiation strategies.

The article offers a practical message for negotiators, managers, investors, and sports gamblers: understand your competition before you meet on the field.

**Source:** Radzevick, J. R. and D. A. Moore. 2008. Myopic biases in competitions. *Organizational Behavior and Human Decision Processes* 107: 206-218.

## The Secret Lives of Diplomats

Sometimes the best way to understand the present is to examine the past.

Aurelien Colson has done just that by examining the writings of six French diplomats from the seventeenth and eighteenth centuries. In their shared preoccupation with secrecy, Colson argues, they have much in common with modern-day negotiators.

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He focused on the works of six ambassador-negotiators: Jean Hotman, Louis-Jules Mancini-Mazarini, Abraham de Wicquefort, Louis Rousseau de Chamoy, François de Callières, and Antoine Pecquet. Their writings shed light on the uses of diplomacy with their characterizations of the ambassador's dual, contradictory missions: first, he had to act as a representative of his prince, which required him to be in the spotlight, and second, he was expected to negotiate business that required discretion and secrecy. Or, as de Wicquefort wrote, an ambassador was a "messenger of peace" and an "honorable spy."

Secrecy became the negotiator's key concern because it protected the political status of his prince and was the "secret weapon of negotiation." The term secret was one of the most frequently used words in these ambassadors' writings, as they became consumed with protecting their own secrets and working to penetrate the secrecy of others. Secrecy was the most important aspect of the prince-ambassador/principal-agent relationship.

But by the end of the seventeenth century, diplomatic secrecy began to wane. England gave more power to the Parliament and now negotiators had to take these multiple constituencies into account. And the Enlightenment brought with it the idea that the public nature of politics required public scrutiny, introducing the tension between secrecy and openness that continues to surround diplomatic negotiations.

**Source:** Colson, A. 2008. The ambassador between light and shade: The emergence of secrecy as the norm for international negotiation. *International Negotiation* 13: 179-195.

## **Trust and Cooperation: An Intricate Dance**

In negotiation, does it really take two to tango, or can one nimble party teach the other the graceful dance of cooperation?

Donald Ferrin, Michelle Bligh, and Jeffrey Kohles recently showed how acts of trust, if both tangible and visible, can generate a positive, collaborative interaction, provided, however, that the acts are mutual. They present three empirically tested spiral reinforcement models to explain the development of mutual trust perceptions and/or mutual cooperation. These spiral models allow them to point to the specific point where one party's trust perception is affected by another's.

While previous research has concluded that the tendency to reciprocate is automatic or unconscious, these researchers propose an alternate explanation based on the results from their spiral models: reciprocation involves a conscious decision process. An individual observes another party's behavior and develops a conclusion about his or her trustworthiness then performs a reciprocal reaction based on this conclusion.

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**Source:** Ferrin, D. L., M. C. Bligh, and J. C. Kohles. 2008. It takes two to tango: An interdependence analysis of the spiraling of perceived trustworthiness and cooperation in interpersonal and intergroup relationships. *Organizational Behavior and Human Dimension Processes* 107: 161-178.

## Nothing Beats the Real Thing

In negotiation, the medium may not be the message, but it can have a profound effect on how messages are construed.

Kevin Rockmann and Gregory Northcraft recently examined how trust is communicated in face-to-face, computer-mediated, and video-mediated contexts. They examined such uncooperative behaviors as defection and deception. These behaviors were highest when people could only connect via the computer. Video technologies helped somewhat but didn't solve all the problems inherent with interacting via communication technology.

All three mediums had similar results in terms of speed of feedback but differed in their ability to convey feelings and communicate multiple clues. The technology increases an individual's sense of anonymity, making him or her more likely to behave antisocially and thus more like to engage in defection or deception.

The efficiencies gained by technology-mediated interactions are offset by lack of personal contact. If you are going to use the technology, be aware of the possible repercussions and try to curb uncooperative behaviors.

**Source:** Rockmann, K. W. and G. B. Northcraft. 2008. To be or not to be trusted: The influence of media richness on defection and deception. *Organizational Behavior and Human Decision Processes* 107: 106-122.

## Good Relations, Worse Outcomes?

Wouldn't it be nice if strong, positive relationships between negotiators were rewarded by better substantive outcomes?

While feasible in theory, this may not happen spontaneously. In fact, Jared Curhan, Margaret Neale, Lee Ross, and Jesse Rosencranz-Engelmann found that cuing subjects to think of themselves in either hierarchical or egalitarian organizations found that the latter group felt better about their relationship but did worse jointly in economic terms. This *relational accommodation* results in inefficient economic outcomes but high levels of relational capital.

These studies used dyads in a simulated employment negotiation to show the effects of egalitarianism on economic efficiency and relational capital in negotiation, and provide support for a relational dynamic in which high relational context may induce negotiators to forfeit economic efficiency. They found that either a focus on egalitarianism or being female seemed to be associated with a greater focus on the interests of others.

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This investigation has important implications for the practice of negotiation. Too much focus on building/sustaining relationships can lead to missing opportunities to create high economic gain. But undervaluing the importance of relationships can affect relational capital. Thus, although there is a trade-off between economic efficiencies and relational outcomes, it may be possible to maximize joint (as opposed to relative) benefits while not forfeiting relational capital.

**Source:** Curhan, J. R., M. A. Neale, L. Ross, and J. Rosencranz-Engelmann. 2008. Relational accommodation in negotiation: Effects of egalitarianism and gender on economic efficiency and relational capital. *Organizational Behavior and Human Decision Processes* 107: 192–205.