

DISSERTATION

SELF-TRANSCENDENCE VALUES, INITIAL PERCEPTIONS OF RELATIONSHIP
QUALITY, AND REFERENCE POINTS IN A DISTRIBUTIVE NEGOTIATION

Submitted by

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In partial fulfillment of the requirements
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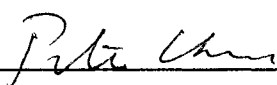
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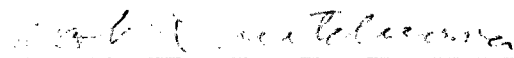
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ABSTRACT OF DISSERTATION

SELF-TRANSCENDENCE VALUES, INITIAL PERCEPTIONS OF RELATIONSHIP QUALITY, AND REFERENCE POINTS IN A DISTRIBUTIVE NEGOTIATION

The present study used structural equation modeling (SEM) to examine a model of antecedents and consequences of perceptions of relationship quality with a negotiation partner. Partner values were manipulated to be either low or high in Self-transcendence under two negotiation contexts: cooperative and competitive. Desirability of Self-transcendence (ST) values and perceptions that a negotiation partner held these values interacted to influence perceptions of Relationship Quality, although the main effect for perceptions of a partner's ST accounted for most of the variance in Relationship Quality. An analysis of the interaction suggested that probability that a partner held ST values was more positively related to Relationship Quality when ST values were more desirable. Perceptions of Relationship Quality were hypothesized to influence a negotiator's reference points and intention to exchange information with a partner, and the negotiation context (cooperative or competitive) was expected to moderate these relationships. Relationship Quality was significantly related to initial offers made to a partner, intention to ask about a partner's break-even point, and intentions to reveal one's own break-even point; however, the negotiation context did not moderate these relationships.

Post-hoc analyses suggested that relationship quality mediated the influence of the probability that a partner endorsed ST values and intention to reveal one's break-even point. Further, when desirability of ST values, probability that a partner was high in ST

values, and an interaction term for these latent variables was used to predict Aspirations, the path between the interaction latent variable and Aspirations was significant. An analysis of the interaction suggested that negotiators desiring a partner high in ST values that were in fact partnered with such an individual were more likely to have lower aspirations for the negotiation. Overall, results suggest that information on a partner's values in a negotiation context influences perceptions of Relationship Quality for unacquainted negotiators and that Relationship Quality perceptions influence negotiation intentions. Areas for further research based on these findings are suggested.

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Chapter 1

INTRODUCTION

Traditionally, negotiation research has focused on rational decision-making processes negotiators use to maximize gains in structured, interdependent allocation situations (Bazerman, Curhan, Moore, & Valley, 2000; Carnevale & Pruitt, 1992). Recent research has called attention to the importance of relationships in determining negotiation processes and outcomes (Greenhalgh, 1995; Greenhalgh & Chapman, 1998; Valley, Neale, & Mannix, 1995). These researchers contend that the relationship between negotiators is likely to have profound impact on the selection of negotiation strategies and on preferences for outcomes, and as a result, negotiator behavior will often fall outside of what would be predicted by rational theories focused on self-interest in mixed-motive negotiations. While researchers have begun to look at the multidimensional nature of relationship quality, an underresearched area continues to be how perceptions of relationship quality are influenced prior to and during negotiation.

This study seeks to add to the literature on relationship importance in negotiation by examining one way in which perceptions of relationship quality can be derived for non-acquainted negotiators—by comparison of personal values negotiators hold. While it is common wisdom that values are important in negotiation, few researchers have examined which values are important and how they lead to judgments regarding the anticipated relationship with a negotiation counterpart. From a practical standpoint, a

finding that value perceptions are linked to initial perceptions in negotiation may suggest ways for negotiators and organizations to manage perceptions by conveying values and subsequent behavior that create positive relationship perceptions by other constituents. An awareness of how one's values and those of a negotiation counterpart influence perceptions in negotiations may also help to avoid biases that lead to sub-optimal outcomes.

Relationship Quality and Negotiation

Negotiation refers to the process by which two or more parties attempt to resolve a perceived divergence of interest in order to avoid social conflict (Carnevale & Pruitt, 1992). As such, negotiation is a response to real or potential conflict. Conflict arises when one's interests are perceived to be incompatible with those of another party and the other party is capable of affecting achievement of one's own interests (Greenhalgh & Chapman, 1995). There are three contrasting standards of negotiation performance— to claim value effectively for oneself, to integrate interests with others to create greater value, and to maintain on-going relationship quality (Allred, Mallozzi, Matsui, & Raia, 1997). Economics-based models of negotiation assume that a negotiator is always predisposed to claim value for him- or herself. Utility in an economics-based model is always based on individual gain. However, in a relationship-based model, identity rather than utility drives decision-making and interdependence refers to more than simply outcome interdependence (Greenhalgh & Chapman, 1995). This sense of common identity may be based on situational or dispositional factors. Negotiators who identify with one another may be less likely to take actions that would hurt the other because of a

sense of common fate or mutual obligation based on their shared attributes (Tajfel & Forgas, 2000; Tajfel & Turner, 1979).

A relationship can be defined broadly as “the meaning assigned by two or more individuals to their connectedness or coexistence. In the context of negotiation, a relationship involves a set of cognitions that determine the focal negotiator’s posture toward the other party” (Greenhalgh & Chapman, 1995, p. 179). Posture in the above definition includes both cohesive and divisive forces. Individuals who perceive their relationship with a negotiation partner to be positive may be more inclined to sacrifice personal gain in favor of an integrative solution that favors both parties in order to maintain relationship quality (Barry & Oliver, 1996; Valley et al., 1995). In the absence of integrative potential, negotiators in close relationships may even settle for less in a negotiation if they perceive claiming value will threaten their relationship with their partner (e.g., Fry, Firestone, & Williams, 1983). Negotiators in negative relationships, on the other hand, are more likely to behave competitively and favor allocations that maximize the difference between their own and a partner’s outcomes (Lowenstein, Thompson, & Bazerman, 1989).

In addition to being a consequence of negotiator interaction, relationship quality has also been studied as an antecedent to integrative solutions (Greenhalgh & Chapman, 1998; Valley et al., 1995). Greenhalgh and Chapman, (1998) found that a measure of relationship quality across several dimensions (e.g., perceptions of trust, liking, competition, and shared interests) was negatively related to the use of coercive tactics and positively associated with information sharing in negotiations. Further, the use of

information sharing mediated the influence of relationship quality on joint gains (integrative agreements) in the negotiation.

While a positive initial step in uncovering the link between relationship quality and negotiation processes and outcomes, Greenhalgh and Chapman's (1998) study does not address how previously unacquainted negotiators form perceptions of relationship quality. Perceptions of relationship quality are likely to form through repeated interactions with an individual that provide information on that individual's values, attitudes, interpersonal style, and goals (Hinde, 1979). In the absence of information from experience, knowledge of a partner's values should have an effect on relationship quality by creating expectancies regarding behavior and creating the standards for evaluating whether this anticipated behavior is desirable.

Values, Perception, and Decision Making

Rokeach (1973) defines a value as "an enduring belief that a specific mode of conduct or end state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence" (p.5). Rokeach suggested that values are formed by the interplay of basic human needs and societal demands. Schwartz and Bilsky (1987) maintain that "values are cognitive representations of three types of universal human requirements: biologically based needs of the organism, social interactional requirements for interpersonal communication, and social and institutional demands for group welfare and survival" (p.551). As such, individual values contain a motivational element and can be classified into motivational types depending on the goal the individual is attempting to attain (Schwartz, 1992; Schwartz & Bilsky, 1987, 1990).

The idea that values serve as evaluative criteria for the selection of behavior and goals has been discussed extensively (Ajzen, 1977; Ajzen & Fishbein, 1980; Beach & Mitchell, 1987; Carver & Scheier, 1982; Feather, 1995; Tajfel & Forgas, 2000). One way in which values are thought to influence motivation and decision making is by influencing the valences associated with different behaviors and outcomes. Feather (1995) found that values influenced preferences for different activities by influencing the desirability associated with each activity. Verplanken and Holland (2002) found that activating values central to one's self-concept resulted in more value-consistent choice behavior in evaluating product attributes and in deciding whether to engage in altruistic behavior.

The influence of values on decision-making and behavior can also be understood in terms of attitude research. An attitude is defined as "a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor" (Eagly & Chaiken, 1993, p. 1). Like values, attitudes may affect behavior and decision making by influencing valences associated with the object of evaluation. While values and attitudes may operate similarly, they should be considered distinct, though related constructs (Rohan, 2000; Rokeach, 1973; Verplanken & Holland, 2002). Values transcend specific situations and objects and are organized hierarchically in terms of importance to form an integrated value system (Rohan, 2000; Rokeach, 1973; Schwartz, 1992). Functionally, some attitudes may be related to values in that they allow these values to be expressed (Katz, 1960; Maio & Olson, 2000; Rohan, 2000; Rokeach, 1973). Perceptions of relationship quality can be considered attitudes toward another person among several relationship dimensions.

Value Congruence and Interpersonal Attraction

Value congruence has been studied across a wide range of organizational phenomena (for a review see Meglino & Ravlin, 1998). Congruence research typically focuses on perceptions of congruence or actual congruence through comparison of responses on values inventories (Meglino & Ravlin, 1998). Actual value congruence between co-workers has been found to predict performance for low tenured employees required to work closely together (Adkins, Ravlin, & Meglino, 1996) and value congruence between supervisors and their subordinates has been found to predict subordinate satisfaction and commitment (Meglino, Ravlin, & Adkins, 1989).

Several reasons for the influence of value congruence on satisfaction and performance have been suggested. Although situational demands may intervene, value congruence may signal that individuals have compatible goals and that individuals with similar values should be trusted (Deutsch, 1973; Jones & George, 1998; Sitkin & Roth, 1993; Williams, 2001). Because there is a self-serving bias to believe that our own values depict us as having integrity, similar values in others may suggest their integrity, a crucial component of interpersonal trust (Mayer, Davis, & Schoorman, 1995). Value congruence may lead to greater attraction, less conflict, and better work outcomes because shared values help construct shared models of reality (Duck & Craig, 1977; Kelly, 1955) and facilitate communication and attributional confidence (Gelfand, Kuhn, & Radhakrishnan, 2001; Newcomb, 1956; Papa & Pood, 1988a, 1988b).

The influence of value congruence on interpersonal outcomes can be understood in terms of both affective reactions to similarity and more effortful information processing approaches. Both approaches have been studied most often in the context of

interpersonal attraction. Affective reactions have been studied in the context of Similarity-Attraction theory. The most consistent finding is that similarity across different dimensions, including beliefs and attitudes, influences attraction towards others (Byrne, 1971; Newcomb, 1956). In the majority of these studies, subjects are presented with a list of attributes about the person being evaluated that vary in similarity to their own attributes in predetermined ways (e.g., 25% similarity). Interpersonal attraction is hypothesized to be a linear function of attribute similarity (Byrne, 1971). While different attributes are allowed to be weighed more heavily, an underlying assumption of this research is that subjects only use the information provided to them in determining interpersonal attraction (Ajzen, 1977). Byrne (1971) interprets results in a positive reinforcement framework. In this view, similarity triggers positive affect and this affect becomes associated with the similar other.

Perceived Attributes and Interpersonal Attraction

In contrast to Similarity-Attraction theory, Ajzen's (1974, 1977) perceived attributes model adopts an information processing approach to interpersonal attraction. According to the model, one's attitude towards another individual can be viewed as a function of the likelihood that that individual possesses particular attributes and the valence (or desirability) associated with those attributes (Ajzen, 1974, 1977). Using this approach, attraction is not the result of similarity of attributes, but the positive attitudes towards others that result from evaluation of presented attributes and inferences concerning their meaning. Ajzen (1974) manipulated personality traits describing another person to vary in similarity with the target and in terms of their desirability. The target was then asked to evaluate the person using the Interpersonal Judgment Scale (Byrne,

1971) as a measure of interpersonal attraction. Results suggested that the desirability of traits, rather than similarity, was a better predictor of interpersonal attraction. A second study in the same paper demonstrated that subjects were able to infer traits from information about another person's opinions and that the desirability of these trait inferences influenced interpersonal attraction

In the study above, desirability of traits in another person was able to be manipulated independently of similarity because previous research had identified which traits individuals were more likely to ascribe to likable individuals (Anderson, 1968). Research in complementary needs and personality traits suggest that individuals may value attributes in another person that they themselves do not hold because these attributes satisfy their own needs or reinforce their own self-concept (e.g., Seyfried, 1977). However, the desirability of values in another person has not received empirical attention, perhaps because of the implicit assumption that values represent a special class of attributes. Because values are prescriptive (people believe that others should share their values), valences for values observed in others that the perceiver himself or herself possesses are likely to be higher. Ajzen (1977) acknowledges that similarity will have an effect to the extent that one's own values influence the valences attached to attributes of the other, but it is these valences rather than similarity per se that influence interpersonal attraction.

It is possible that one's personal value system is not always congruent with one's social value system (Rohan, 2000). Therefore, the values people espouse may not be the values that they would like to see in others in all situations or the values that they see as most efficacious to reaching a desirable outcome. According to the perceived attributes

model, the valence given to the value that another person holds will depend on the probability that the value is held as well as the desirability of that value in a given situation. Unfortunately, research on value congruence does not address complementarity in values and how unique values pairings between individuals may lead to greater interpersonal attraction. However, research on social value orientations in the context of negotiation does suggest how complementarity and similarity of value orientations may influence cooperative versus competitive relationship approaches.

Values and Negotiation Behavior

A limited amount of research on values and negotiation has focused on value differences obstructing conflict resolution because they inhibit negotiator ability to focus on uncovering shared interests (Druckman, Broome, & Korper, 1988; Fisher & Ury, 1981). This research tends to focus on values as influencing positions and interests instead of values being instrumental in dictating how negotiation should take place and the preferences different parties have for differential allocation of resources between the self and another. The latter issue of allocation in negotiation has been addressed extensively through research focused on social value orientations in the context of Prisoner's Dilemma (PD) games (e.g., Deutsch, 1960; Deutsch, 1973). PD games present subjects with a payoff matrix where their outcomes are dependent on their choice and the choice of a partner. Subjects can choose between cooperation and competition (defection). The payoff matrix suggests to participants that the most points can be gained by competing with their partner if their partner unknowingly chooses to cooperate. If both subjects cooperate, they receive a lesser, but equal payoff. If both compete, they receive the lowest, but equal, payoff. One's stable preference for cooperation or defection in PD

games has been associated with one's social value orientation (SVO). SVO is defined as one's stable preferences for certain patterns of outcomes for oneself and others (Messick & McClintock, 1968; Van Lange, De Bruin, Otten, & Joireman, 1997). Individuals are classified as prosocials (cooperators), individualists, or egoists (competitors) based on their allocation choices in a decomposed game. Egoists and individualists are sometimes combined and referred to as proselfs. Proselfs are individuals concerned with their own outcomes versus the outcomes of the other party. Prosocials tend to choose allocations that maximize joint outcomes, individualists choose outcomes that maximize their own outcomes, and competitors choose outcomes that maximize the difference between their own and others' outcomes.

SVO is thought to influence negotiation processes and outcomes because it reflects a negotiator's preferred negotiation behavior and it signals negotiation partners what behavior to expect. In terms of direct effects on negotiation, De Dreu, Weingart, and Kwon (2000) in their meta-analysis found that prosocials tended to be less contentious, engaged in more problem-solving, and achieved higher joint outcomes in negotiations, but only when resistance to yielding was high (versus low or unknown). In contrast, egoistic negotiators engaged in more contentious negotiation behavior.

In terms of social value orientation influencing interpersonal interaction, research suggests that prosocials approach situations cooperatively and tend to do so until the other fails to cooperate (McClintock & Liebrand, 1988). Olekalns, Smith, and Kibby (1996) looked at the influence of social value orientation (SVO) on negotiator processes and outcomes and found an interaction effect for negotiator's SVO and partner's SVO in determining negotiation outcomes. Weingart, Brett, and Olekalns (2002) found that the

social value orientation of group members influenced the relative use of distributive and integrative negotiation tactics and SVO influenced the timing of the use of tactics (e.g., early or mid-negotiation). Groups with one or more individualists used more distributive strategies than groups of all cooperators. The more cooperative members in a group, the more information was exchanged between members. Only a few studies have looked at the influence of SVO on mixed negotiation dyads. Olekalns and Smith (1999) found that mixed dyads used more distributive strategies in negotiation. However, Schei and Rognes (2001) found that mixed dyads used as many integrative strategies as cooperative dyads. One limitation of these studies is that partner's SVO was not made explicit prior to negotiations. Rather, SVO was measured prior to negotiation and the negotiation task varied in the opportunity for an individual to determine partner SVO through experience. Thus, these studies provide no clear evidence of how expectations of a partner's SVO may influence negotiation processes and outcomes.

Several researchers have begun to examine how and why social value orientation influences negotiation behavior and outcomes. DeCremer and VanLange (2001) found that prosocials engage in more cooperative behaviors because they follow a norm of social responsibility (in which both parties' outcomes should be maximized) and a norm of reciprocity (in which there should be equality in outcomes). Both of these dimensions operated independently in DeCremer and VanLange's study. De Dreu and Boles (1998) found that prosocials, competitors, and individualists chose and recalled different negotiation heuristics. Prosocials chose more cooperative heuristics versus competitive ones, while competitors did the reverse. Individualists did not discriminate in their choice of heuristics. Prosocials recalled more cooperative heuristics after negotiations and

competitors and individualists did the reverse. DeBruin and Van Lange (1999) found that prosocials attend to moral (rather than intelligence) aspects of another individual more than proselfs in deciding to cooperate. Their study also found that all negotiators expected more cooperation than they were willing to give themselves, but this tendency was stronger for proselfs. Morality information is more indicative of a person's good or bad intentions than intelligence; extreme morality information that violates social norms is probably even more informative regarding intentions (Jones & Davis, 1965).

VanLange and Semin-Goossens (1998) found that high prosocials reciprocated high levels of cooperation regardless of whether their partner was perceived as honest or intelligent. Proself individuals (individualists and competitors) exhibited some reciprocal cooperation for others perceived as honest but did not modify responses based on intelligence of their partner. This finding suggests that proselves can be encouraged to reciprocate if they believe that others are trustworthy and have good intentions (Van Lange & Semin-Goossens, 1998). Further, these studies demonstrate that perceptions of one's partner in terms of his or her values (honesty) or abilities (intelligence) may influence the expression of preferred SVO.

While research on social value orientation demonstrates that broad values influence one's approach to negotiations, and that subsequent behavior has an influence on negotiation processes and outcomes, expectations in these studies have been limited to those derived from observing partner behavior rather than inferring future behavior based on social value orientation. Another limitation of this research is that the social value orientation construct is only rarely related to personal values (e.g., Gaerling, 1999). Therefore, it is unclear how much social value orientations are influenced by personal

values or whether personal values should be expected to operate in the same manner as social value orientations.

Impact of Relationship Quality on Aspirations and Offers

Aspiration levels, reservation points, and initial offers all serve as reference points for the evaluation of offers and counteroffers from a negotiation opponent (Kahneman, 1992). Reference points are important because they may frame the negotiation in terms of gains or losses and serve as a basis for counteroffers and proposals. Framing in terms of gains or losses has an impact on bargaining behavior and negotiator satisfaction with negotiation outcomes (Kahneman, 1992; Kristensen & Gaerling, 1997b). Reference points that are biased and inaccurate may hinder negotiators' ability to reach integrative agreements that satisfy the interests of both parties.

Aspiration level refers to the value of the goal to which a negotiator is striving (Pruitt, 1981) and in experimental bargaining contexts usually refers to points associated with a particular offer or position. Research suggests that higher aspiration levels are associated with higher individual payoffs in negotiation (e.g., Pruitt, 1981). Aspirations may be influenced by a negotiator's own reservation price or a negotiation opponent's initial offer (Kristensen & Gaerling, 1997a; Kristensen & Gaerling, 1997). However, aspiration levels may also be influenced by non-economic factors. Negotiators may set lower aspiration levels due to the nature of the relationship they have with a negotiation partner (Fry et al., 1983). Additionally, social value orientation has been linked to lower aspirations in negotiation and a greater willingness to compromise when resistance to yielding is low (De Dreu et al., 2000). In the absence of situational constraints (e.g., constituency demands or experimentally induced aspiration levels), prosocials are more

likely to set lower aspirations for themselves because they consider outcomes for the other party as well as their own.

Initial offers convey information about negotiators' aspiration levels and reservation points (Neale & Bazerman, 1991) and therefore have the power to influence negotiator profit and satisfaction (Kahneman, 1992; Kristensen & Gaerling, 1997b; Ritov, 1996). Reservation points are values for issues or positions below which each party cannot go if negotiation is to be preferred to no negotiation. Thus, reservation points signal each party's 'Best Alternative to a Negotiated Agreement' (BATNA; Neale & Bazerman, 1991; Raiffa, 1982). Holding all else equal, any incremental gain over one's reservation point makes negotiation desirable. Individuals may have modest aspiration levels but make extreme initial offers to suggest to opponents that their reservation price is higher than it actually is (Barry & Friedman, 1998). However, a "tough stance" consisting of high demands and low concessions may lead to a reciprocal stance by a negotiation opponent (Wall & Blum, 1991). Therefore, negotiators who have a positive relationship may be more inclined to set reasonable aspiration levels and initial demands in order to avoid the risk of turning a cooperative relationship into a competitive one.

Perceptions of relationship quality may mediate the relationship between one's own values and his or her aspiration levels and initial offers in negotiation with a particular partner. Negotiators who are predisposed to be concerned about outcomes of their negotiation partners may be more likely to act on those values if they believe their partner can be trusted because of higher relationship quality perceptions. Even negotiators not predisposed to be concerned about their partners' outcomes may favor

cooperative behaviors if they perceive a positive relationship exists between their partners and themselves. Research on information sharing in negotiation suggests that negotiators in close relationships may be less inclined to state their preferences due to self-presentational concerns (Cook & Hegtvedt, 1983), including appearing too impolite or greedy (Mikula & Schwinger, 1978; Valley et al., 1995). However, other studies show that negotiators in close relationships may feel that they can increase aspiration levels because the other should be more concerned about their outcomes (e.g., Fry et al., 1983). By increasing the sense the negotiators share a common identity, one of the parties may attempt to use this sense of solidarity to increase aspiration levels and initial demands (Rubin & Brown, 1975).

In the initial stages of a relationship, however, individuals may seek to act in ways to confirm or validate positive relationship perceptions by acting less selfish. In this way a pattern of trust based on experience can be established that will strengthen the relationship and allow for the possibility of a disadvantageous outcome for one of the party in the future without a loss of relationship quality. Because cooperative behavior promotes the development of the relationship and competitive behavior may induce distrust and increase subsequent competition (Rubin & Brown, 1975), negotiators may set lower aspiration levels and provide partner's with higher initial offers in order to build goodwill for future interactions. Conversely, negotiators in a negative relationship may seek to validate their initial relationship perceptions by making higher demands, and may use initial negative relationship perceptions to justify their self-serving behavior. Further, yielding may be perceived as rewarding the other party towards whom one feels negative emotions and may therefore be resisted (Carnevale & Pruitt, 1992).

Relationship Quality and Information Sharing

Information sharing is necessary for negotiators to reach integrative agreements. Negotiators typically make the assumption that their goals and those of their partner are incompatible. This assumption is known as the fixed-pie perception and can be considered an error in judgment because negotiator goals and interests are often not entirely opposed (Thompson, 1991). Information exchange can lead to more accurate judgments in negotiation because negotiators have an opportunity to discover interests and goals that are compatible (Walton & McKersie, 1965). Thompson (1991) found that both providing and seeking information led to increased accuracy of judgments and the formation of mutually satisfying, integrative agreements.

Information about a negotiation partner's reservation price or break-even point may strongly impact negotiator ability to reach mutually satisfying agreements. Negotiators who uncover information about a partner's reservation price are in a better position to infer their partner's aspiration level and use this information to maximize their own outcomes while still satisfying their partner's requirements in the negotiation. Information exchange may be related to relationship quality. Greenhalgh and Chapaman (1998) found that perceptions of relationship quality between negotiators led to increased information exchange and more integrative agreements.

The Present Study

The present study concerns the influence of one's own values and those of a negotiation partner on perceptions of relationship quality. Additionally of interest was whether perceptions of relationship quality would be related to reference points adopted in negotiation, specifically, if negotiators who believe that they and their partner have a

stronger relationship are more likely to adopt lower aspiration levels and make larger initial offers. The independent variables manipulated in this study were the context of the negotiation (cooperative or competitive) and the Self-transcendence values of one's negotiation partner (high or low Self-transcendence). The model to be tested is presented in Figure 1. First, hypotheses relating one's personal values and those of a partner to perceptions of relationship quality are presented. Next, hypotheses regarding the influence of relationship quality on aspiration levels and initial offers are discussed.

Values and Relationship Quality

Of interest was whether value similarity or desirability of partner values would have differential effects on perceptions of relationship quality. Also of interest was determining whether the influence of desirability of partner values on perceptions of relationship quality would vary under competitive or cooperative negotiation contexts. Because measurement of personal values is a prerequisite to understanding their association with perceptions of relationship quality, an appropriate model and measure of values is discussed next.

Schwartz Values Model

Schwartz (1992) has identified 56 values that represent 10 motivational types. Initial development of the Schwartz Value Survey was based on analysis of values taken from Rokeach (1973) and analyzed using Guttman-Lingoes Smallest Space Analysis, a multidimensional scaling technique, in an effort to analyze the underlying structure of the 36 values identified by Rokeach. Research suggests that these ten motivational types are universally prevalent in all cultures of the world (Schwartz, 1992; Schwartz & Bilsky, 1987; Schwartz & Bilsky, 1990). These motivational types are derived from either a

physiological or psychological need and each has a defining goal associated with it (see Table 1). The 10 motivational types can be organized in a circumplex model with four higher order value types represented by two bipolar axes. The horizontal axis contrasts Openness to Change and Conservation while the vertical axis contrasts Self-enhancement and Self-transcendence. The ten motivational types are organized around the circumplex based on correlations among them (see Figure 2).

Hypothesis Development

A similarity-attraction approach to interpersonal interaction would suggest that one's own values should influence the desirability of partner values independent of the negotiation context. In this view, similar values in a partner are desired because they reinforce one's self-concept. A perceived attributes model (Ajzen, 1974, 1977), on the other hand, suggests that the valences attached to the values of a partner are likely to be influenced by the implications of those values inferred from the observer based on the context in which interaction takes place. Therefore, different values in a partner may be more or less attractive based on the implicit theories an observer holds about how those values are likely to influence a partner's behavior.

Because these implicit theories are likely to be idiosyncratic and because no previous research exists delineating the desirability of partner values in differing contexts, no specific hypotheses about value desirability in different negotiation contexts can be proffered. However, it does appear that different values are likely to be more or less desirable in different negotiation contexts. Research suggests that motivational types associated with Self-transcendence predicted readiness for outgroup social contact (Sagiv & Schwartz, 1995). Motivational types associated with Self-transcendence (Universalism

and Benevolence) have also been shown to be related to a prosocial social value orientation (Gaerling, 1999). Prosocial values in others may signal their willingness to cooperate or make concessions independent of one's own values. However, a strong competitive context may suggest that a prosocial stance by an opponent is less likely to influence processes and outcomes because competitive behaviors are expected. The finding that the negotiation context moderates the relationship between one's own values and desired value in a partner would suggest that desirability of partner values operates independently of similarity in interpersonal perception.

Hypothesis 1. The influence of one's own values on desirability of values in a partner will be moderated by the negotiation context such that individuals high in Self-transcendence will desire Self-transcendence in a partner more under cooperative conditions.

Based on a review of the literature it was anticipated that the desirability of partner values under differing negotiation contexts would interact with perceptions of a partner's actual values to predict relationship quality. Individuals who report greater desirability for a partner high on Self-transcendence values should report greater relationship quality perceptions when matched with such a partner.

Hypothesis 2. The relationship between perceptions that a partner is high in Self-transcendence and Relationship Quality will be moderated by the desirability of Self-transcendence values in the specific negotiation context, such that individuals will report

higher Relationship Quality perceptions when they are more confident that desired values are held by a negotiation partner.

Negotiators anticipating a higher quality relationship with a partner should be more oriented to partner outcomes. The tendency of negotiators in high quality relationships to avoid appearing greedy or impolite (Cook & Hegvedt, 1983; Mikula & Schwinger, 1978; Valley et al., 1995) suggests that these individuals will set lower aspirations and provide higher initial offers to their partner's in negotiation.

Hypothesis 3. Perceptions of anticipated relationship quality will be negatively associated with aspiration levels in a distributive negotiation.

Hypothesis 4. Perceptions of anticipated relationship quality will be positively associated with initial offers in a distributive negotiation.

The association between relationship quality and aspirations and initial offers should be moderated by the negotiation context. Although a competitive or cooperative negotiation context was hypothesized to influence desirability of partner values and subsequent relationship quality, the importance of relationship quality may differ in different contexts. Negotiators who anticipate a high quality relationship should set lower aspiration levels and demand less in terms of initial offers because a cooperative negotiation context allows for the expression of, and in some cases demands, mutual concern for individuals in closer relationships. Self-interest that might be viewed as a

betrayal in a close relationship may be more permissible if negotiators can attribute it to situational demands. Therefore, under competitive conditions, negotiators may anticipate less cooperation independent of relationship quality.

Hypothesis 5. The negotiation context will moderate the association between relationship quality and aspirations such that the association will be more negative under cooperative conditions than competitive conditions.

Hypothesis 6. The negotiation context will moderate the association between relationship quality and initial offers such that the association will be more positive under cooperative conditions than competitive conditions.

Previous research suggests relationship quality is associated with information exchange in negotiation (Greenhalgh & Chapman, 1998). Individuals who perceive that their relationship quality is high with a negotiation partner may be more willing to trust disclosing their own break-even point and in asking their partner's break-even point in negotiation.

Hypothesis 7. Perceptions of anticipated positive relationship quality will be positively associated with the intention to reveal one's own break-even point.

Hypothesis 8. Perceptions of anticipated positive relationship quality will be positively associated with the intention to ask the break-even point of one's partner.

Negotiators in a cooperative negotiation may be more likely to exchange information because it is dictated by the situation regardless of the particular relationship they have with their partner. Negotiators in a competitive negotiation, on the other hand, should be less likely to share information with their partners. However, when relationship quality is high, these individuals may be more willing to trust that their opponents will not take advantage of this open exchange.

Hypothesis 9. The negotiation context will moderate the association between relationship quality and information exchange such that the association between relationship quality and revealing one's break even point will be more positive under competitive conditions than cooperative conditions.

Hypothesis 10. The negotiation context will moderate the association between relationship quality and information exchange such that the association between relationship quality and asking a partner's break-even point will be more positive under competitive conditions than cooperative conditions.

Chapter 2

METHOD

Participants

Three hundred forty-seven students in an introductory psychology course participated in this study as part of a class requirement. Participants completed all materials in a pencil and paper format. Sixty-seven percent of the sample was female and the mean age of participants was 19.44 years ($SD = 2.73$ years). Participants primarily identified themselves as White (87%), with Asian/Pacific Islanders and Hispanics each comprising approximately 5% of the sample. Forty-one percent of the sample was currently employed. Mean years of work experience was 4.25 ($SD = 2.47$ years). Approximately 28% percent of respondents indicated that they negotiated with others as part of their job “a lot of the time” or “all of the time,” approximately 28% indicated that they negotiated as part of their job “some of the time,” and 44% percent indicated that they “never” negotiated as part of their job or negotiated “very little.” Appendix A contains the demographic items asked of participants. Participants were randomly assigned to the cooperative ($n = 163$) or competitive ($n = 184$) negotiation conditions described below.

Measures

Participants reported to the research site and were divided into two groups. Each was informed that they would be participating in an experiment to study perceptions in negotiation. As part of the study, participants were told they would be completing pre-

negotiation questionnaires and then would take part in a bargaining task with a partner selected at random in the other group. The belief that an impending negotiation would occur was induced to create a context for the questionnaires and increase participant motivation to attend to information about their partners in the negotiation context; no negotiations took place after questionnaires were completed by participants.

Self-Transcendence/Self-Enhancement values. Values along the Self-transcendence/Self-enhancement dimension of the Schwartz Value Survey (SVS; Schwartz, 1992) were used for this study. Although the focus was on Self-transcendence values, Self-enhancement values were included on the values inventories given to participants in order to provide competing values to aid in ratings of Self-transcendence values.

The SVS consists of lists of terminal (concerned with end-states of existence) and instrumental (concerned with means to ends, ways of behaving) values each accompanied by a brief descriptor or synonym. Because values that guide behavior rather than values describing end-states or outcomes were important, only instrumental values from the Schwartz survey were used with the following exceptions. Protecting the Environment was removed as it dealt with a particular ideology deemed not relevant for inferring how a negotiation partner might behave in negotiation. Additionally, two terminal values reflecting the Universalism motivational type and four terminal values reflecting the Power motivational type were included in the list of instrumental values. Equality was used and its synonym was changed from “equal opportunity for all” to “wanting equal opportunity for all.” Social Justice was changed to Fair and its synonym changed from “correcting injustice, care for the weak” to “correcting injustice, caring for the weak.” For

the Power motivational type, Social Power was changed to Powerful and its synonym “control over others, dominance” was changed to “controlling others, being socially dominant.” Authority was retained, but its synonym was changed from “the right to lead or command” to “leading, directing.” Social Recognition was changed to Recognized and its synonym was changed from “respect, approval by others” to “being respected, gaining approval by others.” Finally, Wealth was used as an instrumental value and its synonym was changed from “material possessions, money” to “wanting money and material possessions.” The resulting values measure consisted of 18 values reflecting the motivational types Benevolence, Universalism, Power, and Achievement.

The modified SVS was used to measure each participant’s own values, desirability of values in a negotiation partner under conditions of cooperation or competition, and the probability that a potential partner held a particular value based on his or her choices on the Values Choices measure described below.

The rating system suggested by Verplanken and Holland (2002) was used to measure value centrality for the individual in completing the measure on one’s own values. Instead of participants rating the importance of each value as a guiding principle in their lives as in the original SVS instructions, participants were asked to rate the extent to which the value described them/describe what they want in life on a 9-point scale. Anchors for the scale ranged from -1 (this doesn’t describe me/what I want at all) to 7 (this describes me/what I want very well). The change in scale was used because activated value centrality for the self-concept was of interest (see Appendix B).

In rating the desirability of values in a potential negotiation partner, participants were asked to rate the desirability of a partner on a 9-point scale ranging from -1

(completely undesirable) to 7 (very desirable). Lastly, participants also used a version of the values measure to rate the probability that their partner endorsed the value on 6-point scale ranging from 0 (definitely does not hold this value) to 5 (definitely holds this value). Measures of the desirability of values in a partner and the probability of values for cooperative and competitive conditions are presented in Appendices C through F.

The values comprising the Benevolence and Universalism motivational types were averaged to provide a score for each motivational type to serve as an observed indicator of the Own self-transcendence (Own ST), Desirability of self-transcendence (Des ST), and Probability of self-transcendence (Prob ST) latent variables. Internal consistency reliabilities (α = alpha) for the cooperative negotiation context were Own Benevolence (.44), Own Universalism (.54), Desirability of Benevolence (.49), Desirability of Universalism (.56), Probability of Benevolence (.85), and Probability of Universalism (.87). Reliabilities for the competitive negotiation context were: Own Benevolence (.52), Own Universalism (.53), Desirability of Benevolence (.31), Desirability of Universalism (.68), Probability of Benevolence (.85), and Probability of Universalism (.84). Alphas for Own Benevolence, Own Universalism, Desirability of Benevolence, and Desirability of Universalism, were below acceptable levels and lower than reliabilities reported elsewhere (Schwartz, 1992). Lower reliabilities may have been the result of the unique grouping of values for each motivational type in this study and/or the fact that the SVS has not been used previously to rate values in others. These issues will be taken up in the Discussion section. Because SEM can isolate the influence of unique variance among the indicators of a latent variable, the low reliability scales were

retained for this study. Definitions of the motivational types and the values comprising each in this study are presented in Table 1.

Values choices. The measure instructed respondents to rate the attractiveness of two alternative courses of action and to indicate which they would prefer for five different scenarios (see Appendix G). Each scenario was constructed to pit opposite values against one another. Because this study was interested in the Self-enhancement/Self-transcendence dimension of the Schwartz (1992) values model, scenarios reflecting Universalism, Benevolence, Power, and Achievement motivation types were utilized. Three of the scenarios (Exam, Essay, and Club) were taken directly from work by Feather (1995). The Organization scenario was the same as the one constructed by Feather, but one of the organizations was changed to be concerned about “the protection of human rights” rather than “the protection of the environment.” Lastly, a new scenario called Market was created in the style of the previous scenarios. The five scenarios and the values dimensions they measure are reviewed below (Feather, 1995):

Exam Scenario. A student preparing for an exam has to decide whether to study with another student the night before the exam so as to help each other, or to study alone in the hopes of increasing his or her chances of getting a good grade. These alternatives were constructed to represent Benevolence versus Achievement values, respectively.

Organization scenario. A student has to decide whether to join an organization that has as its aim the promotion of human rights, even at the cost of economic sacrifice, or to join an organization that promotes economic development and the achievement of wealth and power. These alternatives were constructed to measure Universalism and Power values, respectively.

Essay Scenario. A student preparing to write an essay has to decide whether to lend his or her notes on the essay topic to another student, or to hold onto the notes in the hope that he or she could write an essay reflecting individual effort and originality, and thereby enhance the chances of getting a higher grade. These alternatives were constructed to measure Benevolence and Achievement values, respectively.

Club Scenario. A student has to decide between running for political office in a student organization, thereby gaining some social recognition, influence, and authority, or joining an organization that respects equality and open-mindedness and that tries to work out solutions to universal problems concerned with peace, social justice, and the environment. These alternatives were constructed to measure Power and Universalism values, respectively.

Market scenario. An individual receives \$5.00 extra in change after an error by the cashier at a local grocery store. He/she must decide whether to return the \$5.00 or keep the money. These alternatives were constructed to represent Benevolence versus Power values, respectively.

Negotiation task. The bargaining task was presented as a single-issue negotiation where two managers at an entertainment company had to negotiate allocation of a \$100,000 budget between them for the upcoming year. Participants were told that they would first make initial offers on paper, but that all subsequent negotiation would take place with their partner/opponent face-to-face. Participants were told that they received \$30,000 last year and this should be considered their reservation price or break-even point. Participants were randomly assigned competitive or cooperative negotiation conditions. In the competitive condition, participants were told they would be negotiating with an opponent and were instructed to get as much money as possible for themselves and to not be concerned about their partner (see Appendix H). Participants in this condition were told that they would receive points for every \$1000 over \$30,000 that they negotiated for themselves. In the cooperative condition, participants were told that they should get a good outcome for themselves, but also be concerned about their partner's satisfaction (see Appendix I). Participants in the cooperative condition were told that they would be negotiating with a partner and would receive points for every \$1000 over \$30,000 that they negotiated for themselves multiplied by their partner's satisfaction

level. Both groups were told that they should use information about their partner/opponent in order to determine their aspiration levels for the negotiation, to formulate an initial offer as a starting point for the negotiations, to decide if they should reveal their break-even point to their partner-opponent, and to decide if they would ask their partner/opponent for his or her break-even point.

To increase realism and participants' motivation to do their best on the negotiation task, participants were told that the highest scoring negotiators from each session would be entered into a drawing for \$100. A brief series of questions served as a manipulation check for both conditions (see Appendix J and K). Participants were asked if they would be negotiating with someone in the other room, if they should try to do better than their partner/opponent, if they would receive a point for every \$1000 negotiated for themselves, and if they should be concerned about their partner/opponent's satisfaction.

Relationship quality. Modified items from the Relationship Assessment Questionnaire (RAQ; Greenhalgh & Chapman, 1998) were used to obtain perceptions of anticipated relationship quality with negotiation partner. The RAQ was designed to measure overall relationship quality using one global scale and 15 individual dimensions of relationship quality. In addition to the global measure of relationship quality, this study used 11 dimensions of relationship quality as observed indicators of the Relationship Quality latent variable. These dimensions were chosen because they were appropriate to evaluating a previously unknown partner in the context of negotiation. The 12 scales used and their alpha reliabilities for cooperative and competitive groups, respectively, were expectations of: Common Interests ($\alpha = .81, .78$), Stimulation ($\alpha = .56, .58$), Trust ($\alpha =$

.75, .81), Comfort with Disclosure ($\alpha = .64, .70$), Other's Openness ($\alpha = .43, .52$), Empathy ($\alpha = .69, .66$), Acceptance ($\alpha = .79, .64$), Respect ($\alpha = .70, .69$), Affection ($\alpha = .82, .67$), Alliance ($\alpha = .68, .61$), Lack of Competitive Strain ($\alpha = .57, .44$), and Global Relationship Quality ($\alpha = .81, .68$). The scale was modified for this study by asking participants to rate the probability that they and potential partners described in the partner profile would have the specific relationship characteristics. Instructions on the measure were modified to refer to partner in the cooperative condition and opponent in the competitive condition (see Appendix L and M, respectively).

Negotiation intentions. Participants completed a brief questionnaire concerning their intentions for the anticipated negotiation under the cooperative and competitive conditions. Aspirations and Initial Offers were measured by single items to which participants responded by writing in a dollar amount. Participant intentions to reveal their break-even point (RBEP) and ask their partner's break-even point (ABEP) were measured with single item yes or no questions (see Appendix N and O).

Procedure

Participants reported to the research site and were divided into two groups. Each was informed that they would be participating in an experiment to study perceptions in negotiation. As part of the study, participants were told they would be completing pre-negotiation questionnaires and then would actually take part in a bargaining task with a partner selected at random in the other group. In reality, no actual negotiation took place.

Participants completed a measure of their own values and the Values Choices measure before receiving information on the negotiation task and their partner's values. Next information on the negotiation task was presented followed by a brief manipulation

check. Participants were then asked to rate how desirable a list of values would be in a partner or opponent given the negotiation task in which they would be engaging. All participants were told that before beginning the negotiation, the experimenters wanted to collect information on their perceptions of their negotiation partners/opponents. Participants were told they would be receiving information on choices their partner/opponent made in values relevant domains in order to “get a better understanding of your partner’s/opponent’s values” and that this was the only information they would be exchanging with their partners/opponents.

Participants were given a copy of the Values Choices measure that ostensibly had been completed by their partner/opponent. The experimenter left the room to collect the scenarios and then went through a process of “matching” the scenario measure to each participant that had come from his or her partner/opponent. Additionally, each scenario measure was completed in different styles and ink to add to the impression that it had actually come from the participant’s partner/opponent in the other room. For each scenario, the choice and attractiveness information was manipulated so that participants were given a scenario measure from either a high Self-enhancement/low Self-transcendence or from high Self-transcendence/low Self-enhancement negotiation partner/opponent. Participants were then asked to rate the probability that their partner/opponent held a particular value using the modified version of the Schwartz values survey discussed previously.

Participants next completed the modified RAQ discussed above and were then asked about their intentions for the negotiation in terms of aspirations, initial offers, and information exchange. When all participants in the session had completed the measures,

they were told that they would not be negotiating with a partner/opponent, debriefed regarding the deception and the nature of the study, and excused.

Chapter 3

RESULTS

Data screening was undertaken to identify outliers, missing cases, and to test normality assumptions necessary for subsequent analysis. Data screening revealed six univariate outliers greater than $z = 3.29$ for Own Benevolence (two cases), Own Universalism, Desirability of Benevolence (3 cases), and Desirability of Universalism (two cases). Five cases with multivariate outliers (Mahalanobis distance greater than $p < .001$) were also deleted. In addition, seven cases were deleted due to missing values on two or more variables in the model, leaving a total of 329 participants ($n = 178$ competitive condition; $n = 151$ cooperative condition). Means, standard deviations, and skew and kurtosis of the variables in the model by group are presented in Table 2. Because several variables had non-normal distributions, bootstrapping procedures discussed later were used.

Manipulation Checks

Negotiation task. Participants were asked to rate the extent to which they agreed to two items regarding the negotiation exercise and their goals for the negotiation on a 7-point scale ranging from 1 (don't agree at all) to 7 (strongly agree). Participants in both the cooperative ($M = 6.74$) and competitive ($M = 6.60$) conditions agreed with the statement "I will be negotiating with a student in the other room who will be playing the part of the other department manager at Party Central." The difference between the

means for the two groups was not significant ($p > .05$). Further, none of the participants indicated during debriefing that they were aware that they would not actually be negotiating with another person in this study. Participants agreed with the statement “I will get points for every \$1000 over \$35,000 that I negotiate for myself” ($M = 6.40$, cooperative; $M = 6.56$, competitive), indicating that both groups understood the negotiation task. There was no significant difference between the means of each group on this item ($p > .05$).

Cooperative/Competitive negotiation context. Two items were used to measure the cooperative/competitive negotiation manipulation. First, participants were asked the extent to which they agreed with the statement “My goal in this negotiation is to get more than my opponent.” The difference between the means for the competitive group ($M = 6.19$) and the cooperative group ($M = 4.09$) was statistically significant ($t = -10.95$, $p < .001$). Participants also indicated the extent to which they agreed with the following: “My goal in this negotiation is to find a mutually satisfying outcome for both me and my opponent.” The difference between the means for the competitive group ($M = 4.01$) and the cooperative group ($M = 6.71$) on this item was also statistically significant ($t = 12.39$, $p < .001$). Taken together, these results suggest that participants in the competitive group were more concerned about doing better than their opponent and less concerned about opponent satisfaction with the reverse being the case for participants in the cooperative condition.

Opponent/Partner values. Participants were given a Values Choices measure ostensibly completed by their partner/opponent that was manipulated to be either high self-transcendence/low self-enhancement or high self-enhancement/low self-

transcendence. Ratings for the probability of partner/opponent self-transcendence were compared for participants receiving the high partner/opponent self-transcendence and low partner/opponent self-transcendence manipulations. Consistent with expectations, respondents rated partners/opponents higher on motivational types reflecting high self-transcendence in the high self-transcendence/low self-enhancement condition ($M = 4.10$, Probability of Benevolence; $M = 4.04$, Probability of Universalism) than in the high self-enhancement/low self-transcendence condition ($M = 2.13$, Probability of Benevolence; $M = 1.83$, Probability of Universalism). The difference between means for Probability of Benevolence ($t = -28.23$, $p < .001$) and Probability of Universalism ($t = -26.36$, $p < .001$) between the groups suggests that the partner/opponent values manipulation was effective.

Data Analytic Strategy

Structural Equation Modeling (SEM) was used as the primary data analytic strategy in this study because it 1) allows for multiple measures of a single construct, thus isolating the influence of measurement error; 2) allows for simultaneous tests of moderation by group and by a latent variable interaction term, and; 3) allows for testing of mediational models. AMOS 4.0 (Arbuckle & Wothke, 1999) and maximum likelihood estimation were used to test the hypothesized relationships among latent variables. Measurement models for all the latent variables were run individually to examine measurement characteristics. All models exhibited reasonable fit to the data and all factor loadings were reasonably high and statistically significant (more specific results on individual measurement models tested are available from the author). Next the two-step estimation model suggested by Ping (1996) was used to calculate error variances for the indicators of the latent variable interaction term (Desirability x Probability of self-

transcendence). The method involves first calculating a model with the latent predictors and no latent interaction term. Estimates from this model are then used to calculate parameters for the full model. The formulae and values for this procedure are in Appendix P.

Model fit was examined by looking at several indicators. A significant chi-square value indicates that the residuals from the fitted model are significantly greater than zero. However, because the chi-square test is sensitive to sample size, it is not uncommon to have significant chi-square values even for models with relatively good fit. For this reason, the chi-square statistic should be considered a descriptor rather than a test of model fit (Bentler & Bonett, 1980; Marsh, Balla, & McDonald, 1988). Therefore, several other fit indices were also calculated. The normed fit index (NFI; Bentler & Bonett, 1980) reflects the proportion of improvement in fit versus a null model in which all observed variables are treated as independent. The comparative fit index (CFI; Bentler, 1990) is similar to the NFI, but is less dependent on sample size. The Tucker-Lewis index (TLI; Tucker & Lewis, 1973) is interpreted like the NFI and CFI but adjusts for model complexity. Lastly, the root mean square error of approximation (RMSEA; Browne & Cudeck, 1993) is a measure of the lack of fit per degree of freedom in the model. For the NFI, CFI, and TLI, values greater than .90 indicate a good fit of the model to the data; for the RMSEA, values of less than .05 indicate a good fit and values less than .08 indicate a reasonable fit.

The chi-square difference test was used to test the imposition of constraints on model parameters and Relationship Quality as a mediator. The chi-square difference test is used with nested models when one is interested in comparing a model with parameter

constraints against a model with fewer constraints. The difference between the chi-square statistics for the model is itself chi-square distributed with degrees of freedom equal to the differences in degrees of freedom between the two models being compared. It is important to note that the chi-square difference is not affected by sample size because it reflects a comparison of two equally biased chi-square values.

Measurement Invariance

In order to test the hypothesized relationships between latent variables in the model when multiple groups are involved, it is first necessary to establish that constructs are being measured the same for all groups. Latent variable and error variances derived from the two-step estimation procedure were used to set parameter estimates in a combined measurement model. Multigroup analysis was used to generate additional parameter estimates and generate fit statistics for the model across groups (Byrne, 2001). Several factor loadings were set to 1.00 to serve as reference indicators in establishing the variance of the respective latent variables and in order to identify the model (Byrne, 2001; Kline, 1998). Error terms for the indicators of the latent variable interaction term and disturbance terms for the negotiation latent variables were allowed to covary.

In the unconstrained measurement model, all estimated factor loadings were significant for both cooperative and competitive negotiation groups, except the factor loading for Own Benevolence on the Own Self-transcendence latent factor for the cooperative group (Table 3). The chi square value for the unconstrained measurement model was 1047.96 $df = 586$, $p = .000$). To test for multigroup invariance, path coefficients between latent variables and observed variables were constrained to be equal and model fit was reassessed. The chi-square difference test suggested that a fully

constrained model leads to a significant decrement in fit (χ^2 difference = 24.65, df difference = 13, $p = .026$). and, therefore, the assumption of complete measurement invariance must be rejected.

In order to determine which factor loadings were noninvariant, a series of models were run in which one new factor loading was constrained to be equivalent at a time. If constraining a particular parameter led to a significant chi-square change, the factor loading was allowed to be non-invariant. Results suggest that constraining the path between Lack of Competitive Strain and the Relationship Quality latent variable to be invariant across groups was too stringent. Releasing this for cooperative and competitive groups led to a nonsignificant chi-square difference (χ^2 difference = 20.40, df difference = 12, $p = .060$). Fit indices were identical for the unconstrained, fully constrained, and partial invariance models (CFI=.97; NFI= .93; TLI = .96; and RMSEA =.05).

Structural Model and Hypothesized Relationships

Next, path coefficients in the structural model testing hypothesized relationships among latent variables were constrained to be equivalent across cooperative and competitive group. Despite the appearance of differences in path coefficients for cooperative and competitive groups (see Table 3), a model with all structural paths constrained to be equal across cooperative and competitive groups did not lead to a significant chi-square difference (χ^2 difference = 11.67, df difference = 8, $p = .166$) suggesting that relationships between latent variables were not moderated by group membership. Therefore, hypotheses concerned with the moderating effect of group membership on variables in the model (Hypotheses 1, 5, 6, 9, and 10) are untenable. In order to simplify subsequent analyses, data from the cooperative and competitive

negotiation context groups were combined to test for the significance of paths in the model.

Because several of the observed variables in the model were significantly skewed (see Table 2), bootstrapping was used (500 samples, sampling with replacement) to calculate robust parameter estimates (Arbuckle & Wothke, 1999; Byrne, 2001). Bootstrapping procedures create a sampling distribution for parameters in the model. Parameter estimates are provided which represent the average value when the hypothesized model is fit to a large number of random samples taken from the initial sample. Confidence intervals provide an indication of the statistical significance of these robust parameter estimates. Factor loading and structural path estimates for the combined sample and bootstrap estimates are presented in Table 4. A structural model of the relationships among latent variables is shown in Figure 3. Because the estimates generated from the bootstrap analysis did not differ significantly from those of the single sample, the latter were used to test hypothesized relationships in the model.

Own ST and Desirability of ST. Hypothesis 1 stated that the negotiation context would moderate the relationship between one's own self-transcendence ratings (Own ST) and desirability of self-transcendence in a negotiation partner (Des ST). The structure coefficient for this relationship was significant ($B = .29, p < .05$); however, because group membership did not moderate this relationship, Hypothesis 1 was not supported.

Influence of values perceptions on relationship quality. Hypothesis 2 predicted that relationship between the probability that a partner/opponent endorsed self-transcendence values (Probability ST) and Relationship Quality would be moderated by the desirability of self-transcendence values (Desirability of ST). Regression weights

from the model indicate a significant relationship between Probability of ST and Relationship Quality ($B = .79, p < .001$) and a statistically significant relationship between the Desirability of ST by Probability of ST interaction latent variable (Desirability x Probability of ST) and Relationship Quality ($B = .12, p < .01$). The significant path coefficient for the interaction term supports Hypothesis 2.

Because the latent variable interaction term was significant, additional analyses were conducted to explicate the nature of this relationship following the procedure by Kline and Dunn (2000). The test for the influence of latent variable interactions involves choosing one of the latent variable indicators as a moderator of the other and modeling the influence of the second latent variable on the DV under high and low levels of the moderator. Because the moderator is a latent variable, comparison groups are determined by examining the z -scores associated with the indicators of the latent variable. In this case, it was decided that the Desirability of ST values would moderate the relationship between Probability of ST values and Relationship Quality.

In order to understand the nature of the Desirability x Probability of ST interaction, the combined sample was divided into two samples reflecting low and high desirability scores on the Universalism and Benevolence observed indicators. The low ST desirability group ($n = 38$) was formed by selecting cases with a z -score below -0.5 on Desirability of Benevolence and Desirability of Universalism; z -scores above 0.5 on both variables were used to create the high ST desirability group ($n = 51$). Fit statistics for the interaction model and path coefficients for each group are presented in Figure 4. As can be seen from the figure, the relationship between Probability of ST and Relationship Quality was lower for the low Desirability of ST group ($B = .56, p < .01$) than for the high

Desirability of ST group ($\underline{B} = .90, p < .01$). Further, for both groups Probability of ST explained a significant percentage of the variance in Relationship Quality (low Desirability of ST $\underline{R}^2 = .32$ and high Desirability of ST $\underline{R}^2 = .80$). Results suggest that the perceptions of Relationship Quality were higher when a partner is perceived as endorsing more self-transcendence values and these values are seen as more desirable.

Relationship quality and negotiation variables. Hypothesis 3 predicted that perceptions of relationship quality would be negatively associated with aspiration levels. The relationship between Relationship Quality and Aspirations was in the right direction, but non-significant ($\underline{B} = -.07, p > .05$). Thus, hypothesis 3 was not supported. Hypothesis 4, that perceptions of Relationship Quality would be positively associated with initial offers (Initial Offer) in negotiation was supported ($\underline{B} = .15, p < .01$).

Hypothesis 7 stated that perceptions of relationship quality would be positively associated with intention to reveal one's break-even point (RBEP). The relationship between Relationship Quality and RBEP was statistically significant ($\underline{B} = .24, p < .001$) in support of Hypothesis 7. Hypothesis 8 stated that perceptions of relationship quality would be positively associated with intention to ask about a partner/opponent's break-even point (ABEP). The relationship between Relationship Quality and ABEP was statistically significant ($\underline{B} = .13, p < .05$) in support of Hypothesis 8. Although Relationship Quality was associated with Initial Offer, RBEP, and ABEP, effect sizes for these relationships were small to modest with Relationship Quality only accounting for a small percentage of variance in each ($\underline{R}^2 = .02, .06, \text{ and } .02$, respectively).

Tests of Mediation

Although Relationship Quality was not hypothesized to mediate the relationship between the values and negotiation variables, post-hoc tests were run to test this hypothesis. A variable functions as a mediator when it accounts for the relationship between a predictor and criterion. According to Holmbeck (1997), three models must be estimated to test for mediation. First, the direct effect model tests the effects of the exogenous factors (i.e., Desirability of ST, Probability of ST, and Des x Prob ST Interaction) on the endogenous factors (Aspirations, Initial Offers, Reveal BEP, and Ask BEP) in the absence of the mediator (Relationship Quality). If this model yields significant path coefficients, the process is continued. Analyses indicated significant path coefficients from Probability of ST and Reveal BEP ($B = .15$, $p < .01$), and Des x Prob ST Interaction and Aspirations ($B = -.19$, $p < .01$) only. These findings indicate that the test of mediation for Relationship Quality will only be relevant to these predictors and criteria.

The second step in Holmbeck's (1997) process is to test a saturated model with paths from the predictors to the mediator and from the mediator to the criteria while retaining the direct effect paths from the predictors to the criteria. In this model Probability of ST and the Desirability x Probability of ST interaction were significantly related to Relationship Quality ($B = .79$, $p < .001$ and $B = .12$, $p < .05$, respectively). Relationship quality was significantly related to Initial Offers ($B = .21$, $p < .05$), Reveal BEP ($B = .30$, $p < .05$), and Ask BEP ($B = .27$, $p < .01$). The relationship between Probability of ST and Reveal BEP changed to $B = -.08$, ns, but the relationship between Desirability x Probability of ST and Aspirations remained unchanged ($B = -.19$, $p < .01$).

The final step in Holmbeck's (1997) process involves comparing the saturated model with a fully mediated model where paths between the predictors and criteria are constrained to zero. If the chi-square difference between the overall model and the fully mediated model is non-significant, mediation is supported. In the fully mediated model Probability of ST and Desirability x Probability of ST were related to Relationship Quality ($\underline{B} = .79, p < .001$ and $\underline{B} = .12, p < .05$, respectively). Relationship Quality was related to Initial Offer ($\underline{B} = .15, p < .01$), Reveal BEP ($\underline{B} = .24, p < .001$), and Ask BEP ($\underline{B} = .13, p < .05$). The chi-square difference between the fully mediated and overall model was non-significant (χ^2 difference = 17.33, df difference = 12, $p = .137$). Therefore, constraining direct effects to zero did not result in a significant loss of fit in the model and mediation is supported (see Table 5).

Because only Probability of ST and Reveal BEP fit the terms of mediation (Probability of ST related to Relationship Quality and RBEP and Relationship Quality related to RBEP), it appears that this relationship accounts for the mediation effect. In the saturated model, the relationship between Probability of ST and RBEP dropped to $\underline{B} = -.08, p > .05$ with inclusion of the path from Relationship Quality to RBEP. The relationship between Desirability x Probability of ST and Aspirations did not change at all in the saturated model ($\underline{B} = -.19, p < .05$), suggesting a direct effect of Desirability x Probability of ST on Aspirations. Based on these findings a revised model was tested with a direct path from Desirability x Probability of ST to Aspirations and no path from Relationship Quality to Aspirations (see Figure 3). To test the nature of the relationship between Desirability x Probability of ST interaction and Aspirations, the same procedure described above was used to create high Desirability of ST and low Desirability of ST

groups. In the high Desirability of ST group, Probability of ST was negatively associated with Aspirations ($B = -.18$, ns); in the low Desirability of ST group, Probability of ST was positively associated with Aspirations ($B = .19$, ns; see Figure 5). Nonsignificance for the paths appears to be the result of small sample sizes for the high Desirability of ST and low Desirability of ST groups combined with the small effect sizes. Probability of ST accounted for only 3% of the variance in Aspirations in the high Desirability of ST group and 4% of the variance in Aspirations in the low Desirability of ST group.

Chapter 4

DISCUSSION

The present study used a perceived attributes model (Ajzen, 1974, 1977) to test the influence of desirability of self-transcendence (ST) values and the presence of those values in a partner on perceptions of relationship quality in negotiation (Greenhalgh & Chapman, 1998). Also of interest was establishing that relationship quality perceptions for non-acquainted negotiators would be associated with reference points adopted in negotiation and intention to exchange information with a negotiation partner. Results suggest that partner values are one potential source of information and influence in forming relationship perceptions for non-acquainted negotiators. Further, these relationship perceptions influence initial offers and the intention to engage in information exchange with a negotiation partner.

Influence of Own ST, Desirability of ST, and Probability of ST on Relationship Quality

Results from this study suggest that perceptions regarding the probability that a partner endorsed ST values are the strongest predictor of relationship quality perceptions. In order to test the stability of the Probability of ST/Relationship Quality relationship, a model was tested without the Desirability of ST and Desirability x Probability of ST predicting Relationship Quality. The relationship between Probability of ST and Relationship Quality was still strong and significant ($B = .78, p < .001$) and accounted for 60% of the variance in Relationship Quality. While Desirability x Probability of ST explained incremental variance in Relationship Quality (4%), the effect size is modest in

comparison to the Probability of ST. The smaller effect for the Desirability x Probability of ST interaction may be due in part to the unreliability of the measures of the Desirability of ST latent variable (Desirability of Benevolence and Desirability of Universalism).

Low reliabilities for Own Benevolence, Own Universalism, Desirability of Benevolence, and Desirability of Universalism suggest that participants were inconsistent in their ratings of Benevolence and Universalism values for themselves and for the desirability of these values in others. Because these variables were used as indicators of the Own ST and Desirability of ST latent variables, the construct validity of these latent variables is difficult to establish even after accounting for error in measurement with SEM procedures. Bootstrap results suggest that the factor loading for Own Benevolence on the Own ST latent variable was relatively unstable, and possibly as a result, the relationship between Own ST and Desirability of ST was also unstable. Further, the imposition of fixed parameter estimates on factor loadings for these variables may also have affected other parameters in the model.

Although low reliabilities for Own Benevolence, Own Universalism, Desirability of Benevolence, and Desirability of Universalism limit the generalizability of the results of this study, they are interesting findings in their own right. Individuals clearly see their own value systems as more complex in terms of the relative importance of competing values and extended this complexity into the desirability of different values in a negotiation partner. In determining the probability of a partner's endorsement of ST values, negotiators found it much easier to classify their partner monolithically in terms of high or low Self-transcendence. Clearly, their ratings were a reaction to a manipulation

that suggested high or low ST in their partner, but not all ST values were as salient in the manipulation and it is clear that negotiators in this study inferred endorsement of other ST values not specifically suggested in the manipulation.

The strong relationship between Probability of ST and Relationship Quality suggests that negotiators perceive partners whose values indicate they are more helpful, loyal, and fair to be more likable, trustworthy, and accepting and that the espoused desirability of these values has a much smaller influence on perceptions of relationship quality. To test the idea that Relationship Quality was a function of the Probability of ST values when the negotiator himself/herself was also high in ST, an additional model was tested with Own ST, Probability of ST, and a latent variable interaction, Own x Probability of ST predicting Relationship Quality. The same procedures were used to test for measurement and structural invariance as were used to test the Desirability of ST, Probability of ST, and Desirability of ST model. Similarly, factor loadings were invariant across competitive and cooperative groups if the loading for “Lack of competitive strain” on Relationship Quality was allowed to vary by group. The chi-square for the partial measurement invariance model was 1012.50 ($df = 501$, $p = .000$). However, unlike the Desirability x Probability of ST model, constraining the path coefficient between the Own x Probability of ST latent factor and Relationship Quality to be equivalent resulted in significant loss of fit (χ^2 difference = 16.30, df difference = 7, $p = .023$). Therefore, the negotiation context (cooperative or competitive) moderated the influence of the Own x Probability of ST on Relationship Quality. Fit statistics and path coefficients for the entire model are presented in Figure 6.

To test the interaction effect, the cooperative group was divided into high Own ST ($\underline{z}$ -score for Own Benevolence and Own Universalism both higher than .25) and Low Own ST groups ($\underline{z}$ -score for Own Benevolence and Own Universalism both lower than .25). The lower $\underline{z}$ -score threshold was used because using a $\underline{z}$ -score of +/- .50 as previously resulted in groups too small to run the analyses using SEM. Results of the analysis are presented in Figure 7. As can be seen from the figure, the relationship between the Probability of ST and Relationship Quality is higher if a cooperative negotiator is also high in ST values. Although caution is warranted because of small sample sizes to test the interactions, it appears that the relationship between Own ST and Probability of ST is a stronger predictor of Relationship Quality than Desirability of ST. To be consistent with the previous desirability model, a path from the Own ST x Probability of ST to Aspirations was tested. This path was nonsignificant for both groups ($\underline{B}$ = -.02 for cooperative; $\underline{B}$ = -.11 for competitive).

These analyses bring up an important issue regarding aggregation of individual values into motivational types. It is clear from trying to separate groups into high and low Desirability of ST and high and low Own ST, that only a small percentage of the sample had extreme positions in regard to the Desirability of Benevolence and Desirability of Universalism, and Own Benevolence and Own Universalism. The process of aggregating individual values into motivational types masks the influence of extreme positions on individual values that may have been more predictive. Of course, looking at individual values runs the risk of ignoring the constellation of values interacting to predict perceptions and behavior (Rokeach, 1973). Future research that isolates specific values that lead to Relationship Quality perceptions would be useful. Negotiators may develop

implicit ideas about what is involved in negotiation and develop more complex value systems to define a desirable opponent that includes Self-transcendence (e.g., helpful and honest) and Self-enhancement (e.g., intelligent and capable) values. Culturally defined motivational types that suggest broad dispositions may not be as useful when looking at the influence of values on specific types of behavior, including negotiation. Qualitative research where individuals describe their implicit theories regarding negotiation and the values they deem as most salient in negotiation would be another positive step to identify values in a partner relevant to a negotiator's own implicit theories of negotiation.

In any case, the most consistent finding from this study is that negotiators anticipate a higher quality relationship with a partner with whom they are unacquainted when that partner is perceived to endorse Self-transcendence values more highly. Because relationship quality perceptions are associated with higher joint gains in negotiation (Greenhalgh & Chapman, 1998), the finding that relationship quality perceptions can be shaped by making different values information about one's partner's values salient is significant.

Relationship Quality and Negotiation Variables

Results suggest that perceptions of relationship quality are related to Initial Offers, asking a partner his or her break-even point (ABEP), and revealing one's own break-even point (RBEP). The finding that relationship quality is related to higher initial offers is consistent with past research suggesting that individuals who share a stronger relationship bond may be more likely to claim less in a negotiation to avoid appearing impolite or greedy (Cook & Hegtvedt, 1983; Mikula & Schwinger, 1978; Valley et al., 1995). Interestingly, it was hypothesized that this relationship would be stronger in the

cooperative condition, where the situation may have created an impetus to manage relationship perceptions by one's partner. Although the path from Relationship Quality to Initial Offers was higher in the cooperative ($B = .19, p < .05$) than the competitive ($B = .09, ns$) conditions, the difference between these paths was not statistically significant (see Table 3). Post-study interviews with participants suggest that many negotiators adopted an equality norm (Deutsch, 1975; Pruitt & Carnevale, 1993) in deciding on initial offers in the absence of additional information. Additional research addressing how relationship perceptions lead to different allocation norms in specific negotiation contexts may help explicate the influence of relationship quality on initial offers.

The lack of an association between Relationship Quality and Aspirations may have been due in part to confusion over the aspiration question. Aspirations were measured by a single item that asked participants "What is the amount of the budget that you would reasonably like to secure for your department?" Respondents may have had different ideas of what "reasonably" meant, with some treating the item as an indication of how much they would want if they could have their way without negotiation or conflict and others treating it as a goal for the negotiation. Relationship quality should influence aspirations more to the extent the latter approaches a goal or goals for the specific negotiation versus abstract preferences for higher or lower outcomes. Future research should clarify the Aspirations construct, perhaps operationalizing aspirations as specific goals. Using goal terminology may have the added benefit of suggesting subgoals or intermediate goals to employ in the negotiation.

Previous research established a link between Relationship Quality and information sharing for acquainted negotiators (Greenhalgh & Chapman, 1998). The

current study looked at the association between Relationship Quality and information exchange intentions for unacquainted negotiators. Results suggest that, even for unacquainted negotiators, perceptions of Relationship Quality are related to intentions to ask a partner's BEP (ABEP) and, more strongly, to the intention to reveal one's own BEP (RBEP). Previous research has established that fixed-pie perceptions often lead to a failure to reach integrative agreements in negotiations when mutually satisfying outcomes are possible (Thompson & Hastie, 1990). Information exchange in negotiation can help combat fixed-pie perceptions. Information exchange has been shown to be associated with better joint gains in negotiation (Greenhalgh & Chapman, 1998), even if information exchange is unilateral (Thompson, 1991).

The finding that relationship quality perceptions for unacquainted negotiators influence intention to exchange information about break-even points is significant. Knowledge of each other's break-even points may allow negotiators to adopt a problem solving orientation by having clear criteria for compromise or the generation of settlements that satisfy both negotiators' BEP. Future research should focus on actual information exchange beyond initial intentions for unacquainted negotiators to see if intentions to share information actually increase this behavior during negotiation. In terms of BEP specifically, it would be interesting to study how relationship quality perceptions influence belief that a partner's espoused BEP is accurate and how reliable BEP information affects negotiation behavior and outcomes.

Implications for Behavior in Organizations

The negotiation task modeled in this study represents an activity that many individuals encounter in organizations. Employees are being called on with greater

frequency to negotiate with peers, both in terms of allocation of limited resources and in terms of the distribution of responsibilities in self-managed teams (Howard, 1995; Rousseau, 1997). Often organizations require negotiation with others with whom one is not familiar (e.g., new employees, employees from different functional areas, and other members of short-term project teams). The finding that the probability that a partner was high in ST is associated with relationship quality perceptions and negotiation intentions suggests that negotiators should attempt to manage the information they convey about their own values. Information about others for evaluation purposes is often expressed tersely in values-relevant terms (e.g., “She is fair” or “He is capable”). Values may be one source of information on reputation and may operate similarly in terms of stifling or facilitating integrative agreements in negotiation (Tinsley, O'Connor, & Sullivan, 2002), especially in the absence of prior experience (Halpern, 1996). Organizational values stressing honesty and fairness in negotiation may provide an overarching framework from which individual negotiators can find commonality of values to facilitate the development of quality relationship perceptions.

Strengths of the Current Study

The current study sought to isolate the effects of values perceptions of relationship quality and negotiation variables. By presenting negotiators with only values information on their partners, the influence of other factors such as partner gender and appearance was controlled for. Findings suggest that in the absence of additional information, knowledge of a partner’s espoused values does predict relationship quality perceptions and influences one’s intention to offer more to a partner and exchange more information in negotiation. Additionally, this study is one of only a few that looks at how

the instrumental values of negotiators influence their perceptions of one another instead of looking at values as defining issues in the conflict itself. More work is needed to examine how values influence approaches to conflicts that are ostensibly value neutral.

The finding that values information influences relationship quality perceptions for unacquainted negotiators suggests that making Self-transcendence values of a partner salient may increase trust and liking toward that partner for a prospective negotiator, and that a partner's congruence with own Self-transcendence and desirability of Self-transcendence may help amplify this effect.

Another strength of this study is that it looked at several individual cultural values that comprise Self-transcendence as opposed to just looking at social-value orientation (SVO). SVO can be understood in terms of an individual's intention to cooperate or compete in an allocation decision, to consider a partner's interests as well as one's own, or to consider one's own interests exclusively. The Self-transcendence dimension of the Schwartz (1992) model focuses on other-oriented values generally, not just in terms of allocations for self and others. However, results from this study suggest that the constructs operated similarly. Previous research has found that prosocials reciprocate high levels of cooperation independent of the honesty of their negotiation partners and proselves reciprocate if their partners are perceived as honest (VanLange & Semin-Goossens, 1998). For both proselves and prosocials reciprocation and the potential to build trust is higher if one's partner is seen as honest. Similarly, in the current study participants rated their partner as more trustworthy and anticipated greater cooperation if the person appeared to endorse Self-transcendence values. The endorsement of ST values in the Schwartz model may be a predictor of prosocial SVO. Predictive status is

supported by the fact that most ST values are most likely learned first in a variety of contexts and then latter dictate behavior when one is confronted with an allocation choice. For example, a child learns to be helpful and honest outside of allocation choices, but once internalized, these values lead to a prosocial SVO when an allocation choice is confronted. Additional research clarifying the relationship between motivational types and SVO may help clarify both constructs.

Limitations of the Current Study

In addition to limitations based on the unreliability of the Own ST and Desirability of ST indicators, there are limitations to this study in terms of generalizability and time frame. First, the use of a student sample limits the generalizability of the results. It is unclear if similar mechanisms would operate for professional negotiators in other negotiation situations. An additional limitation is that negotiators did not actually interact with their partners. Information about one's partner gained from interaction would most likely be a stronger determinant of relationship quality than abstract information on his or her values choices. However, it may be that information on a partner's values prior to interaction creates a set of expectations that biases (positively or negatively) subsequent perceptions as interaction unfolds (Neale & Bazerman, 1991). Future research should look at the ways in which values perceptions can serve to bias subsequent interactions, not only in terms on initial negotiations, but also how in ongoing negotiations between individuals in a long-term relationship.

Another limitation involves the relationship quality construct. The current study focused on initial perceptions of relationship quality for non-acquainted individuals. Initial perceptions of relationship quality are probably less set and more subject to change

than perceptions of relationship quality in “working” or ongoing relationships (Pruitt & Carnevale, 1993). As a consequence, different aspects of relationship quality may be more or less salient as nature of the relationship changes over time. Relationship quality was treated as relatively monolithic in the current study and in past research (Greenhalgh & Chapman, 1998). Future research looking at the relative influence of different dimensions of relationship quality, especially over different phases of relationship development would be beneficial.

A final limitation of this study involves a potential confound with the Values Choices manipulation. Because negotiators in the study were led to believe they were exchanging values information with their partner, perceptions of relationship quality may have been the result of participant anticipation that their partner would like them, rather than the desirability of the values their partner seemed to endorse (Aronson & Worchel, 1966). However, given that participants’ own values choices were not as extreme as those in the manipulation ostensibly from their partners, it appears that the stronger influence was from partner choices and not anticipated reactions to one’s own choices. Further research should test this assumption in a controlled study.

Areas for Future Research

In addition to the suggestions for future research mentioned previously, an important area in studying values in negotiation remains the development of suggestions for harnessing the power of shared values to build relationships while simultaneously increasing tolerance for differences in values that may create damaging conflict. Previous research established that conflict centered around attitudes based on values differences is particularly pernicious and difficult to resolve (Druckman et al., 1988; Fisher & Ury,

1981; Kristiansen & Zanna, 1994; Rokeach, 1973). Research in this vein has tended to focus on how values differences influence preferences for different outcomes in conflict situations. In contrast, the current study looks at instrumental values that may be indicative of preferences for different ways of approaching negotiation and conflict resolution independent of the final outcome. As mentioned previously, an appeal to organizational values emphasizing self-transcendence in the process of negotiation may facilitate relationship development and settlements that are mutually satisfying for both parties in the negotiation. Additional research to uncover how individual and organizational values can be reconciled in negotiation situations to build relationship quality is an important next step in making personal values relevant to negotiation in organizations.

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Table 1
Motivational Types from the Schwartz Values Model and Component Values Used in the Current Study

<u>Motivational Type</u>	<u>Definition</u>	<u>Component Values</u>
Power	The motivational goal of power values is the attainment of social status and prestige, and the control or dominance over people and resources.	powerful, wealth, authority, preserving my public image, and recognized
Achievement	The primary goal of this type is personal success through demonstrated competence. Competence is evaluated in terms of what is valued by the system or organization in which the individual is located.	ambitious, successful, capable, influential, and intelligent
Universalism	The motivational goal of Universalism is the understanding, appreciation, tolerance, and protection of the welfare for all people and nature.	equality, fair, broad-minded,
Benevolence	The motivational goal of benevolent values is preservation and enhancement of the welfare of people with whom one is in frequent personal contact. This is a concern for the welfare of others that is more narrowly defined than Universalism.	helpful, responsible, forgiving, honest, loyal

Source: Adapted from Schwartz (1992).

Table 2
Descriptive statistics for observed indicators in the model by negotiation group

Variable	Cooperative Negotiation (n=151)				Competitive Negotiation (n=178)			
	M	SD	Skew	Kurtosis	M	SD	Skew	Kurtosis
Own Benevolence	5.17	0.85	(-0.79)	0.27	5.23	0.85	-0.59	-0.12
Own Universalism	4.58	1.23	(-0.68)	0.49	4.41	1.28	-0.28	-0.43
Desirability of Benevolence	5.04	0.84	-0.64	1.07	4.93	0.88	-0.54	0.46
Desirability of Universalism	5.16	1.50	(-1.01)	0.43	5.17	1.64	(-1.25)	0.97
Probability of Benevolence	3.11	1.15	-0.45	-0.93	3.12	1.19	-0.32	(-1.30)
Probability of Universalism	2.87	1.38	-0.29	-1.21	2.98	1.30	-0.32	(-1.27)
Des of Ben x Prob Ben	15.77	6.54	-0.12	-0.79	15.31	6.57	0.24	-0.51
Des of Univ x Prob Univ	14.96	8.68	0.08	(-1.22)	15.41	8.80	0.20	-1.08
Des of Ben x Prob of Univ	14.59	7.57	-0.04	-0.98	14.67	7.05	0.14	-0.68
Des of Univ x Prob Ben	16.11	7.91	0.01	-1.08	16.05	8.29	0.12	-1.01
Common Interests	2.05	1.02	-0.25	-0.73	1.94	0.95	-0.14	-0.82
Lack of Competitive Strain	2.19	0.86	-0.17	-0.31	2.06	0.84	-0.05	-0.39
Trust	2.20	1.18	-0.23	-0.95	2.10	1.20	-0.20	-1.12
Comfort with Disclosure	1.75	0.94	-0.24	-0.72	1.75	0.96	-0.01	-0.73
Empathy	2.28	0.89	-0.41	-0.29	2.10	0.84	-0.04	-0.48
Stimulation	2.44	0.83	-0.09	-0.05	2.45	0.83	-0.33	-0.29
Acceptance	2.25	0.84	-0.07	-0.52	2.18	0.73	0.14	-0.12
Other's Openness	2.22	0.69	(-0.74)	0.75	2.04	0.67	-0.46	-0.29
Respect	2.36	1.01	-0.47	-0.55	2.34	0.95	-0.27	-0.71
Affection	2.25	0.90	-0.55	-0.01	2.26	0.74	-0.33	-0.19
Alliance	2.12	0.91	-0.28	-0.70	2.09	0.84	-0.01	-0.46
Global RQ	2.20	0.78	-0.45	-0.09	2.24	0.66	-0.34	-0.24
Aspirations	\$55,606	\$10,762	(1.67)	(4.45)	\$57,343	\$10,365	(1.76)	(4.20)
Initial Offers	\$39,881	\$11,898	(-0.94)	1.39	\$36,438	\$10,438	(-0.68)	0.19
RBEP	0.47	0.50	(0.12)	-2.01	0.28	0.45	(0.98)	-1.04
ABEP	0.72	0.45	(-0.96)	-1.09	0.72	0.45	(-1.01)	-0.98

Note. Des(Desirability), Prob(Probabality), Ben(Benevolence), and Univ(Universalism). Significant skew and kurtosis values are marked (p<.001). Standard error for skew and kurtosis: .197, .392 (cooperative group) and .182, .362 (competitive group).

Table 3

Factor loadings for indicators on their respective latent variables and path coefficients for latent variables in the structural model

Factor Loadings	Cooperative (n=151)			Competitive (n=178)		
	Unstd	Std	Res	Unstd	Std	Res
<u>Own ST</u>						
Own Benevolence	.38	.34	.63	.97***	.50	.34
Own Universalism	(1.00)	.61	.96	(1.00)	.73	1.23
<u>Desirability of ST</u>						
Des of Benevolence	(1.00)	.82	.23	(1.00)	.72	.36
Des of Universalism	(1.00)	.46	1.74	(1.00)	.38	2.33
<u>Probability of ST</u>						
Prob of Benevolence	.86***	.94	.17	.99***	.96	.11
Prob of Universalism	(1.00)	.91	.32	(1.00)	.88	.38
<u>Des x Prob Interaction</u>						
Des Ben x Prob Ben	(.92)	.77	(.49)	(.92)	.75	(.49)
Des Univ x Prob Univ	(1.00)	.42	(3.78)	(1.00)	.41	(3.78)
Des Ben x Prob Univ	(1.00)	.74	(.69)	(1.00)	.72	(.69)
Des Univ x Prob Ben	(.92)	.44	(2.85)	(.92)	.42	(2.85)
<u>Relationship Quality</u>						
Global RQ	(1.00)	.91	.10	(1.00)	.77	.17
Alliance	1.03***	.81	.28	1.29***	.78	.27
Affection	1.14***	.90	.16	1.22***	.84	.16
Respect	1.30***	.91	.18	1.56***	.83	.27
Other's Openness	.46***	.48	.36	.70***	.54	.32
Acceptance	.91***	.77	.29	.89***	.61	.36
Stimulation	.82***	.70	.35	.82***	.50	.51
Empathy	.99***	.79	.30	1.20***	.72	.34
Comfort with Disc	.86***	.65	.50	1.08***	.57	.61
Trust	1.38***	.84	.42	1.89***	.80	.52
Lack of Comp Strain	.59***	.49	.56	.97***	.59	.46
Common Interests	1.11***	.77	.42	1.06***	.57	.60
<u>Structure Coefficients</u>						
Own ST to Des of ST	.29	.32	.43	.25	.24	.37
Des of ST to RQ	.04	.04	---	-.01	-.01	---
Prob of ST to RQ	.47***	.82	---	.34***	.76	---
Des x Prob to RQ	.10*	.13	.15	.06	.11	.11
RQ to Aspirations	-.06	-.04	.96	-.06	-.03	.89
RQ to Initial Offers	.27*	.19	.97	.16	.09	.77
RQ to RBEP	.15**	.21	.24	.24***	.27	.19
RQ to ABEP	.11*	.17	.20	.09	.10	.20

Note. Des(Desirability), Prob(Probability), Ben(Benevolence), and Univ(Universalism). Parameters in parentheses were fixed to identify the model and create parameter estimates for the latent variable interaction term. Significant factor loadings and structural coefficients are marked (* $p < .05$, ** $p < .01$, *** $p < .001$). $\chi^2 = 1047.96$, $df = 586$, $p = .000$; CFI = .97; NFI = .93; TL I = .96; RMSEA = .05

Table 4

Factor loadings and path coefficients for latent variables in the structural model

Factor Loadings	Combined Sample			Bootstrap Results				
	Unstd	Std	Res	Mean		90% CI		
	Unstd	Std	Res	Unstd	Std	L	U	p
<u>Own ST</u>								
Own Benevolence	.59*	.50	.54	.83	.55	.20	.79	.01
Own Universalism	(1.00)	.57	1.06	1.00	.62	.36	1.28	.00
<u>Desirability of ST</u>								
Des of Benevolence	(1.00)	.76	.31	1.00	.76	.62	.87	.01
Des of Universalism	(1.00)	.42	2.06	1.00	.42	.35	.47	.01
<u>Probability of ST</u>								
Prob of Benevolence	.92***	.94	.15	.92	.94	.92	.97	.01
Prob of Universalism	(1.00)	.90	.34	1.00	.90	.87	.93	.00
<u>Des x Prob Interaction</u>								
Des Ben x Prob Ben	(.92)	.76	(.49)	.92	.75	.70	.81	.00
Des Univ x Prob Univ	(1.00)	.42	(3.78)	1.00	.41	.36	.48	.00
Des Ben x Prob Univ	(1.00)	.73	(.69)	1.00	.72	.67	.79	.00
Des Univ x Prob Ben	(.92)	.43	(2.85)	.92	.43	.38	.50	.00
<u>Relationship Quality</u>								
Global RQ	1.00	.85	.15	1.00	.84	.82	.88	.00
Alliance	1.15***	.80	.28	1.15	.79	.75	.83	.00
Affection	1.18***	.87	.16	1.18	.87	.84	.90	.01
Respect	1.41***	.87	.22	1.42	.87	.85	.89	.01
Other's Openness	.57***	.50	.35	.57	.50	.41	.60	.00
Acceptance	.90***	.70	.32	.91	.70	.63	.74	.01
Stimulation	.82***	.60	.44	.83	.60	.51	.65	.01
Empathy	1.07***	.75	.33	1.08	.75	.70	.79	.01
Comfort with Disc	.95***	.61	.56	.96	.61	.55	.66	.01
Trust	1.59***	.81	.49	1.60	.81	.77	.85	.00
Lack of Comp Strain	.75***	.53	.51	.76	.54	.42	.60	.01
Common Interests	1.09***	.67	.52	1.10	.67	.61	.72	.01
<u>Structure Coefficients</u>								
Own ST to Des of ST	.26*	.29	.40	.28	.29	.11	.52	.00
Des of ST to RQ	.02	.02	---	.02	.02	-.07	.10	.69
Prob of ST to RQ	.40***	.79	---	.40	.79	.74	.84	.00
Des x Prob to RQ	.08*	.12	.13	.08	.12	.03	.20	.02
RQ to Aspirations	-.07	-.04	.93	-.07	-.04	-.13	.05	.52
RQ to Initial Offers	.23**	.15	.88	.24	.15	.05	.27	.03
RQ to RBEP	.19***	.24	.22	.19	.24	.16	.33	.00
RQ to ABEP	.10*	.13	.20	.10	.13	.03	.21	.02

Note. Des(Desirability), Prob(Probability), Ben(Benevolence), and Univ(Universalism). Parameters in parentheses were fixed to identify the model and create parameter estimates for the latent variable interaction term. Significant factor loadings and structural coefficients are marked (* $p < .05$, ** $p < .01$, *** $p < .001$) $\chi^2 = 680.32$, $df = 293$, $p = .000$; CFI = .97; NFI = .96; TL I = .97; RMSEA = .06

Table 5
Fit indices and chi-square difference tests for models testing Relationship Quality as a mediator

Model	χ^2	df	χ^2/df	$\Delta\chi^2$	Δdf	sig. Δ	CFI	NFI	TLI	RMSEA
Step 1 (No mediator)	111.57	67	1.67				.99	.97	.98	.05
Step 2 (Mediator and direct effects)	662.99	281	2.36				.97	.96	.97	.06
Step 3 (Full mediation)	680.32	293	2.32	17.33	12	.137	.97	.96	.97	.06

Note. Step 1 is a model without the Relationship Quality latent variable and its indicators, where DesST, ProbST, and the Des x Prob ST interaction have direct paths to Aspirations, Initial Offers, RBEP (reveal break-even point), and ABEP (ask break-even point). Step 2 Adds paths from DesST, ProbST, and the Des x Prob ST interaction to Relationship Quality and paths from Relationship Quality to Aspirations, Initial Offers, RBEP, and ABEP. Step 3 constrains to zero paths from DesST, ProbST, and the Des x Prob ST interaction to Aspirations, Initial Offers, RBEP, and ABEP

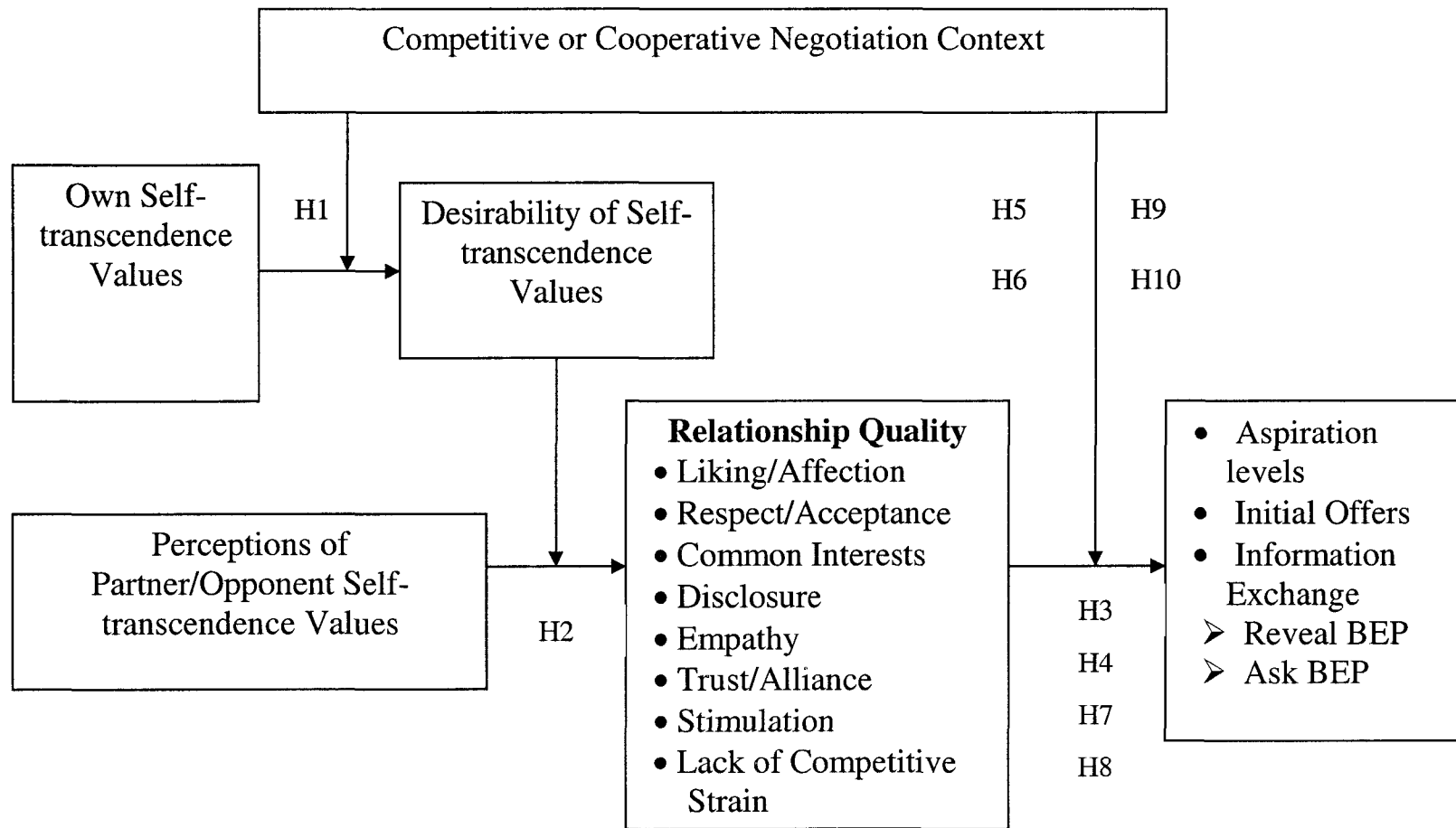


Figure 1. Model of hypothesized relationships between own values, partner values, perceptions of relationship quality, negotiation reference points and information exchange

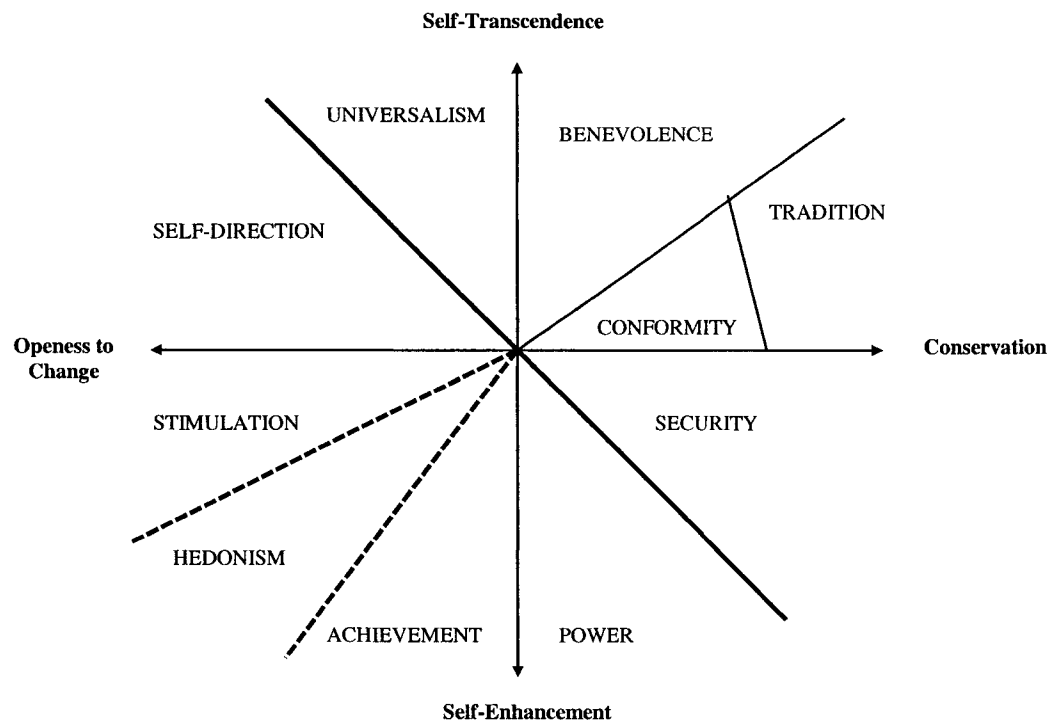


Figure 2. Circumplex model of theoretical relations among motivational types, higher order values types, and bipolar value dimensions. From Schwartz (1992).

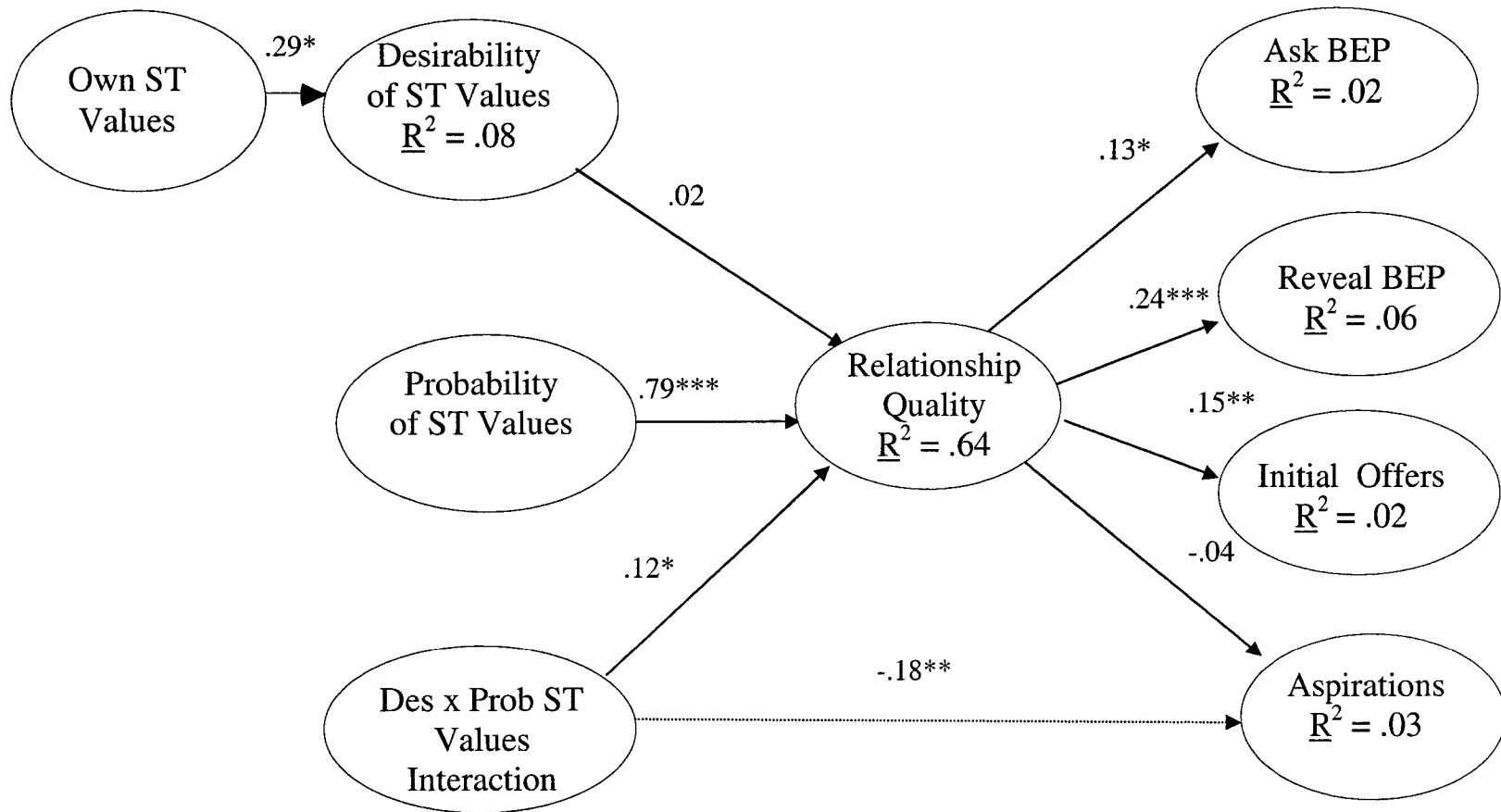


Figure 3. Structural model and standardized path coefficients for hypothesized relationships among latent variables.

Note: * $p < .05$, ** $p < .01$, *** $p < .001$ Hypothesized model fit: $\chi^2 = 680.32$, $df = 293$, $p = .000$; CFI = .97; NFI = .96; TL I = .97; RMSEA = .06. Revised model fit: $\chi^2 = 673.10$, $df = 292$, $p = .000$; CFI = .97; NFI = .96; TL I = .97; RMSEA = .06

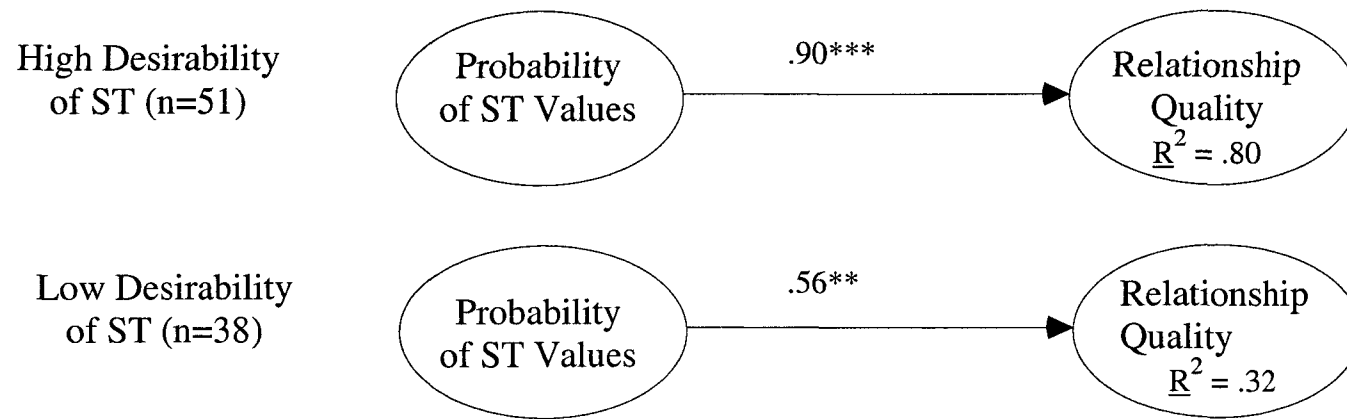


Figure 4. Relationships between Probability of ST values and Relationship Quality at different levels of Desirability of ST

Note: ** $p < .01$, *** $p < .001$; Model fit: $\chi^2 = 311.56$, $df = 159$, $p = .000$; CFI = .95; NFI = .90; TL I = .93; RMSEA = .11

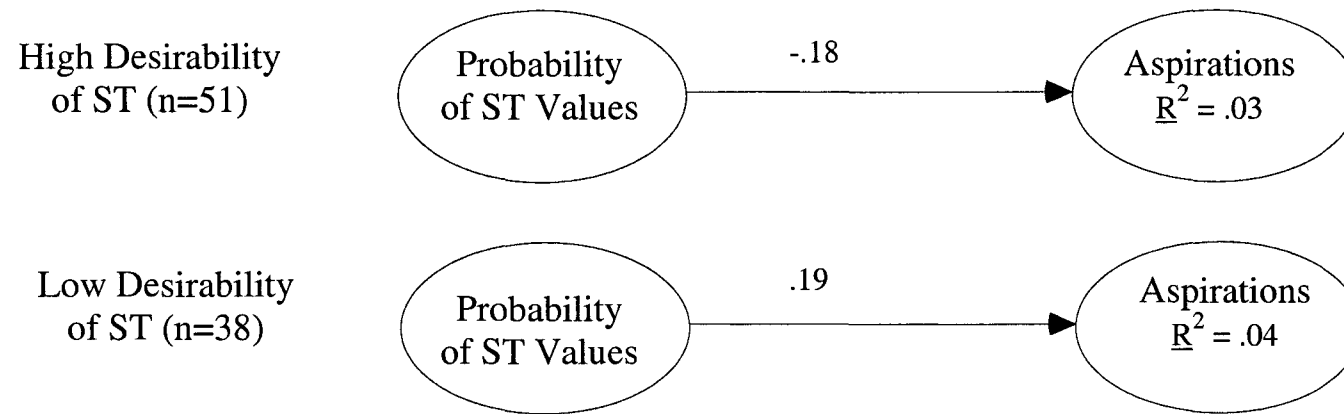


Figure 5. Relationships between Probability of ST values and Aspirations at different levels of Desirability of ST

Note. Model fit: $\chi^2 = 7.31$, $df = 6$, $p = .293$; CFI = .99; NFI = .94; TL I = .98; RMSEA = .05

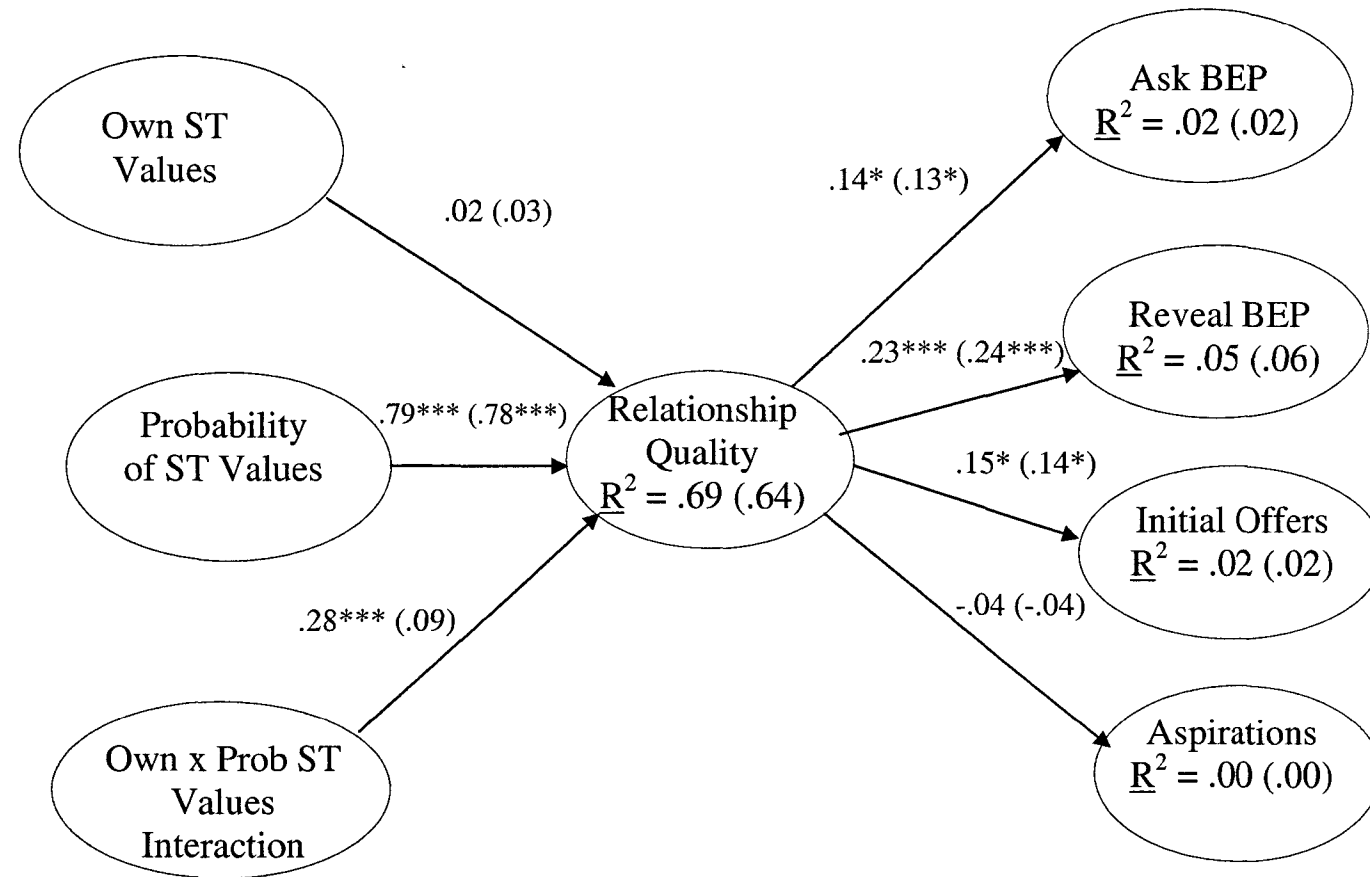


Figure 6. Structural model and standardized path coefficients for hypothesized relationships among latent variables in a model with Own ST and Own ST x Prob ST interaction.. All unstandardized structural paths are constrained to be equal, except Own x Prob of ST to Relationship Quality. Standardized paths and R^2 for cooperative and (competitive) groups are shown.

Note. * $p < .05$, ** $p < .01$, *** $p < .001$ Model fit: $\chi^2 = 1024.30$, $df = 507$, $p = .000$; CFI = .96; NFI = .92; TL I = .95; RMSEA = .05

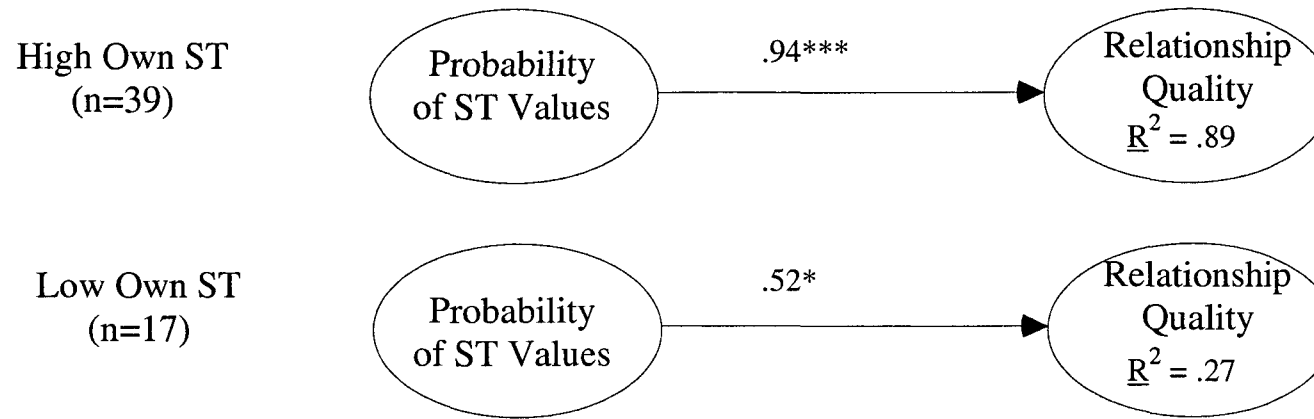


Figure 7. Relationships between Probability of ST values and Relationship Quality at different levels of Own ST for negotiators in the cooperative group

Note. $^*p < .05$, $^{***}p < .001$; Model fit: $\chi^2 = 292.87$, $df = 157$, $p = .000$; CFI = .93; NFI = .87; TL I = .91; RMSEA = .13

APPENDIX A

Demographic Information Sheet

Demographic Information

Age: _____

Sex (M/F): _____

Ethnicity:

_____ American Indian/Alaskan Native

_____ Black, not of Hispanic Origin

_____ Hispanic

_____ Asian or Pacific Islander

_____ Caucasian/White, not of Hispanic Origin

_____ Other: _____

Grade Level:

_____ Freshman

_____ Sophomore

_____ Junior

_____ Senior

_____ Other

Major: _____

Are you currently employed? yes____ no____

How often do you negotiate with supervisors, co-workers, or customers as part of your job?

_____ All the time

_____ A lot of the time

_____ Some of the time

_____ Very little

_____ Never

How many years of total work experience do you have? _____

How many years of supervisory experience do you have? _____

How much experience do you have with negotiation?

_____ Extensive experience

_____ Some experience

_____ A little experience

_____ Very little experience

_____ No experience

How much confidence do you have in your negotiation abilities?

_____ Very confident

_____ Confident

_____ Somewhat confident

_____ A little confident

_____ Not confident at all

APPENDIX B

Own Values Measure

VALUES LIST: Ways of acting or behaving.

A person's values often provide information about the attitudes he or she is likely to hold and the behavior that he or she is likely to exhibit. Please rate the following values in terms of how well each describes you based on the instructions below.

IN TERMS OF DESCRIBING ME, this value:

does not describe me/what I want at all		describes me/what I want a little		describes me/what I want pretty well		describes me/what I want well		describes me/what I want very well
-1	0	1	2	3	4	5	6	7

Please begin by reading values 1 to 18.

- Choose one or two values that describe you the best and put a 7 in the space before them.
- Next, choose one or two values that describe you least and put a -1 in the space before them. If there are no such values, choose the values least like you and rate them 0 or 1.
- Then rate the remaining values on the list from 0 to 6. Try to distinguish as much as possible between the values by using all the numbers. You will, of course, need to use the same numbers more than once

1. __LOYAL
(faithful to my friends, group)

10. __POWERFUL
(controlling others, being socially dominant)

2. __AMBITIOUS
(hard working, aspiring)

11. __RESPONSIBLE
(dependable, reliable)

3. __BROAD-MINDED
(tolerant of different ideas and beliefs)

12. __PRESERVING MY PUBLIC IMAGE
(preserving my "face")

4. __INFLUENTIAL
(having an impact on people and events)

13. __HELPFUL
(working for the welfare of others)

5. __CAPABLE
(competent, effective, efficient)

14. __SUCCESSFUL
(achieving goals)

6. __FAIR
(correcting injustice, caring for the weak)

15. __FORGIVING
(willing to pardon others)

7. __HONEST
(genuine, sincere)

16. __RECOGNIZED
(being respected, gaining approval by others)

8. __AUTHORITY
(wanting to lead or direct)

17. __EQUALITY
(wanting equal opportunity for all)

9. __INTELLIGENT
(logical, thinking)

18. __WEALTH
(wanting money and material possessions)

APPENDIX C

Desirable Values in a Negotiation Partner: Cooperative Condition

VALUES LIST : Desirable values for a negotiation partner

A person's values often provide information about the attitudes he or she is likely to hold and the behavior that he or she is likely to exhibit. Please rate the values below in terms of how desirable they would be in a negotiation partner.

IN TERMS OF HAVING A PARTNER THAT HOLDS THE FOLLOWING VALUES, this value is:

completely undesirable		somewhat undesirable		somewhat desirable		desirable		very desirable
-1	0	1	2	3	4	5	6	7

Please begin by reading values 1 to 18.

- Choose one or two values that you would most want in a negotiation partner and put a 7 in the space before them.
- Next, choose one or two values that you would definitely not want in a partner and put a -1 in the space before them.
- Then rate how desirable it would be to have a partner who holds the remaining values on the list from 0 to 6. Try to distinguish as much as possible between the values by using all the numbers. You will, of course, need to use the same numbers more than once.

1. ___LOYAL

(someone faithful to his/her friends, group)

2. ___AMBITIOUS

(someone hard working, aspiring)

3. ___BROAD-MINDED

(someone tolerant of different ideas and beliefs)

4. ___INFLUENTIAL

(someone having an impact on people and events)

5. ___CAPABLE

(someone competent, effective, efficient)

6. ___FAIR

(someone who corrects injustice, cares for the weak)

7. ___HONEST

(someone genuine, sincere)

8. ___AUTHORITY

(someone wanting to lead or direct)

9. ___INTELLIGENT

(someone logical, thinking)

10. ___POWERFUL

(someone who wants to control others, be socially dominant)

11. ___RESPONSIBLE

(someone dependable, reliable)

12. ___PRESERVING MY PUBLIC IMAGE

(someone who wants to preserve his/her "face")

13. ___HELPFUL

(someone who works for the welfare of others)

14. ___SUCCESSFUL

(someone who wants to achieve goals)

15. ___FORGIVING

(someone willing to pardon others)

16. ___RECOGNIZED

(someone wanting respect, approval by others)

17. ___EQUALITY

(someone wanting equal opportunity for all)

18. ___WEALTH

(someone wanting money and material possessions)

APPENDIX D

Desirable Values in a Negotiation Opponent: Competitive Condition

VALUES LIST : Desirable values for a negotiation opponent

A person's values often provide information about the attitudes he or she is likely to hold and the behavior that he or she is likely to exhibit. Please rate the values below in terms of how desirable they would be in a negotiation opponent.

**IN TERMS OF HAVING AN OPPONENT THAT HOLDS THE FOLLOWING
VALUES,**
this value is:

completely undesirable		somewhat undesirable		somewhat desirable		desirable		very desirable
-1	0	1	2	3	4	5	6	7

Please begin by reading values 1 to 18.

- Choose one or two values that you would most want in a negotiation opponent and put a 7 in the space before them.
- Next, choose one or two values that you would definitely not want in an opponent and put a -1 in the space before them.
- Then rate how desirable it would be to have an opponent who holds the remaining values on the list from 0 to 6. Try to distinguish as much as possible between the values by using all the numbers. You will, of course, need to use the same numbers more than once.

1. ___LOYAL

(someone faithful to his/her friends, group)

2. ___AMBITIOUS

(someone hard working, aspiring)

3. ___BROAD-MINDED

(someone tolerant of different ideas and beliefs)

4. ___INFLUENTIAL

(someone having an impact on people and events)

5. ___CAPABLE

(someone competent, effective, efficient)

6. ___FAIR

(someone who corrects injustice, cares for the weak)

7. ___HONEST

(someone genuine, sincere)

8. ___AUTHORITY

(someone wanting to lead or direct)

9. ___INTELLIGENT

(someone logical, thinking)

10. ___POWERFUL

(someone who wants to control others, be socially dominant)

11. ___RESPONSIBLE

(someone dependable, reliable)

12. ___PRESERVING MY PUBLIC IMAGE

(someone who wants to preserve his/her "face")

13. ___HELPFUL

(someone who works for the welfare of others)

14. ___SUCCESSFUL

(someone who wants to achieve goals)

15. ___FORGIVING

(someone willing to pardon others)

16. ___RECOGNIZED

(someone wanting respect, approval by others)

17. ___EQUALITY

(someone wanting equal opportunity for all)

18. ___WEALTH

(someone wanting money and material possessions)

APPENDIX E

Probability of Values in a Negotiation Partner: Cooperative Condition

PLEASE STOP HERE AND WAIT FOR INFORMATION ON YOUR PARTNER'S VALUES

VALUES LIST: Probability that your partner has these values

Based on your partner's answers on the Values Choices inventory, try to determine the probability he or she holds the following values. This information can be used to infer the type of relationship you might expect to have with this person and the implications for your later negotiation.

IN TERMS OF THE LIKELIHOOD THAT MY PARTNER HOLDS THE FOLLOWING VALUE, my partner:

definitely does not hold this value	probably doesn't hold this value	might not hold this value	might hold this value	probably holds this value	definitely holds this value
0	1	2	3	4	5

Please begin by reading values 1 to 18.

- Choose one or two values that you are most certain your partner holds and put a 5 in the space before them. If there are no such values, choose the values that your partner probably holds and rate them 4.
- Next, choose one or two values that you are sure your partner does not hold and put a 0 in the space before them. If there are no such values, choose the values that your partner probably doesn't hold and rate them 1.
- Then rate how probable it is that your partner holds the remaining values on the list from 1 to 4. Try to distinguish as much as possible between the values by using all the numbers. You will, of course, need to use the same numbers more than once.

1. LOYAL
(faithful to his/her friends, group)
2. AMBITIOUS
(hard working, aspiring)
3. BROAD-MINDED
(tolerant of different ideas and beliefs)
4. INFLUENTIAL
(wanting to impact people and events)
5. CAPABLE
(competent, effective, efficient)
6. FAIR
(wanting to correcting injustice, care for the weak)
7. HONEST
(genuine, sincere)
8. AUTHORITY
(wanting to lead or direct)
9. INTELLIGENT
(logical, thinking)

10. POWERFUL
(wanting to control others, be socially dominant)
11. RESPONSIBLE
(dependable, reliable)
12. PRESERVING MY PUBLIC IMAGE
(wanting to preserve his/her "face")
13. HELPFUL
(working for the welfare of others)
14. SUCCESSFUL
(wanting to achieve goals)
15. FORGIVING
(willing to pardon others)
16. RECOGNIZED
(being respected, gaining approval by others)
17. EQUALITY
(someone wanting equal opportunity for all)
18. WEALTH
(someone wanting money and material possessions)

APPENDIX F

Probability of Values in a Negotiation Opponent: Competitive Condition

**PLEASE STOP HERE AND WAIT FOR INFORMATION ON YOUR
OPPONENT'S VALUES**

VALUES LIST: Probability that your opponent has these values

Based on your opponent's answers to the Values Choices inventory, try to determine the probability he or she holds the following values. This information can be used to infer the type of relationship you might expect to have with this person and the implications for your later negotiation.

**IN TERMS OF THE LIKELIHOOD THAT MY OPPONENT HOLDS THE
FOLLOWING VALUE, my opponent:**

definitely does not hold this value	probably doesn't hold this value	might not hold this value	might hold this value	probably holds this value	definitely holds this value
0	1	2	3	4	5

Please begin by reading values 1 to 18.

- Choose one or two values that you are most certain your opponent holds and put a 5 in the space before them. If there are no such values, choose the values that your opponent probably holds and rate them 4.
- Next, choose one or two values that you are sure your opponent does not hold and put a 0 in the space before them. If there are no such values, choose the values that your opponent probably doesn't hold and rate them 1.
- Then rate how probable it is that your opponent holds the remaining values on the list from 1 to 4. Try to distinguish as much as possible between the values by using all the numbers. You will, of course, need to use the same numbers more than once.

1. LOYAL
(faithful to his/her friends, group)
2. AMBITIOUS
(hard working, aspiring)
3. BROAD-MINDED
(tolerant of different ideas and beliefs)
4. INFLUENTIAL
(wanting to impact people and events)
5. CAPABLE
(competent, effective, efficient)
6. FAIR
(wanting to correcting injustice, care for the weak)
7. HONEST
(genuine, sincere)
8. AUTHORITY
(wanting to lead or direct)
9. INTELLIGENT
(logical, thinking)

10. POWERFUL
(wanting to control others, be socially dominant)
11. RESPONSIBLE
(dependable, reliable)
12. PRESERVING MY PUBLIC IMAGE
(wanting to preserve his/her "face")
13. HELPFUL
(working for the welfare of others)
14. SUCCESSFUL
(wanting to achieve goals)
15. FORGIVING
(willing to pardon others)
16. RECOGNIZED
(being respected, gaining approval by others)
17. EQUALITY
(someone wanting equal opportunity for all)
18. WEALTH
(someone wanting money and material possessions)

APPENDIX G
Values Choices Instrument

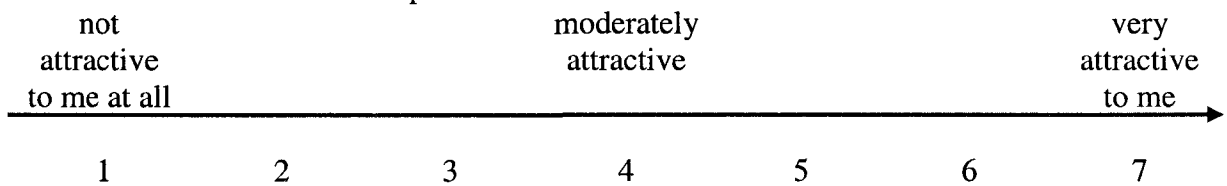
Values Choices

Please read each of the scenarios below and rate the attractiveness of each alternative on the scales below by circling the number on the scale below each alternative. Also, indicate which alternative you would choose by circling the letter (a) or (b) next to that alternative.

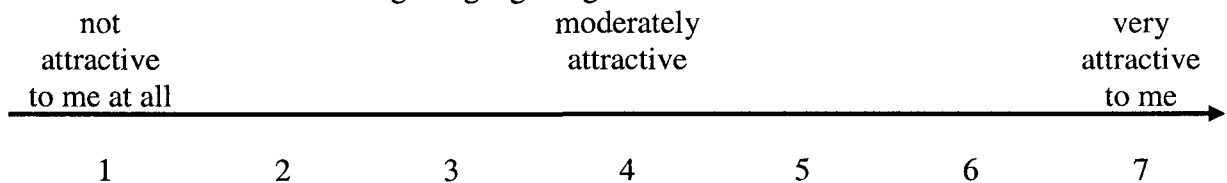
Exam Scenario

Two friends who are enrolled in the same course are studying for a final exam that will be held the next day. Student A calls Student B suggesting that they study together the night before the exam so that they can help each other. Student B has a lot of preparation to do for the exam and needs to work intensively and put in a lot of individual effort if he/she wants to get a good final grade in the course. If you were student B in this situation, how attractive would you find each of the following alternatives?

Alternative (a): I would agree to study with Student A the night before the exam so that we could help each other.



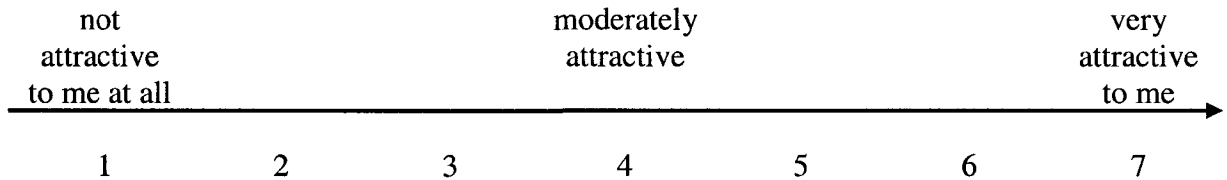
Alternative (b): I would decide to study by myself in the hope that I could improve my chances of getting a good grade.



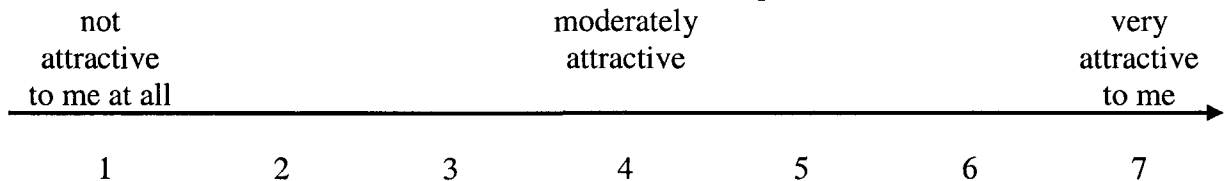
Organization Scenario

A student wants to become a member of one of the organizations active on the university campus. One organization has as its aim the protection of human rights by collective effort even if it means some national economic sacrifice. The other organization has as its aim the economic development of the nation and the achievement of national wealth and power. If you were student in that situation, how attractive would you find each of the following alternatives?

Alternative (a): I would join the organization that promoted protection of human rights and community effort despite possible national economic sacrifice.



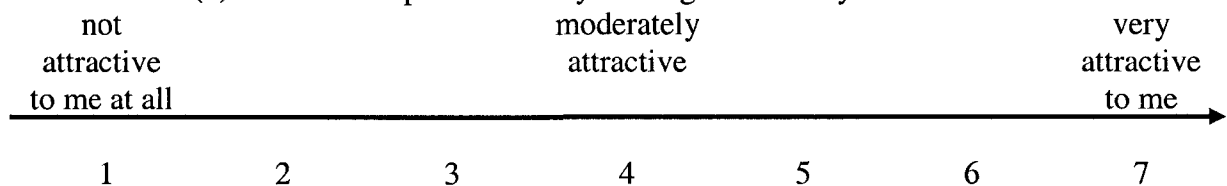
Alternative (b): I would join the organization that promoted economic development and the achievement of national wealth and power.



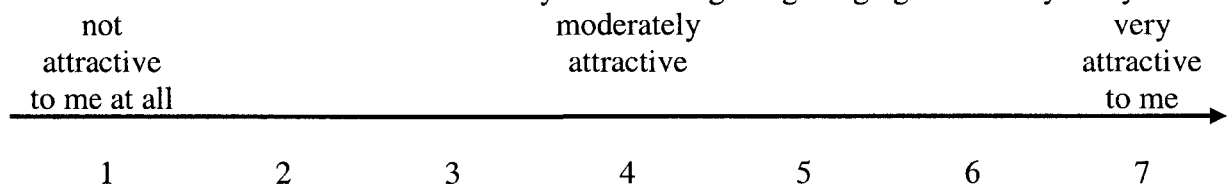
Essay Scenario

Two students who are enrolled in the same course are preparing for the same essay topic. Student A asks student B if he/she can borrow Student B's notes on the essay topic. The instructor for the course has emphasized that high grades will be given to essays that reflect individual effort and that contain original ideas. Student B wants to obtain a high grade on the essay. If you were student B in this situation, how attractive would you find each of the following alternatives?

Alternative (a): I would help student A by lending him/her my notes.



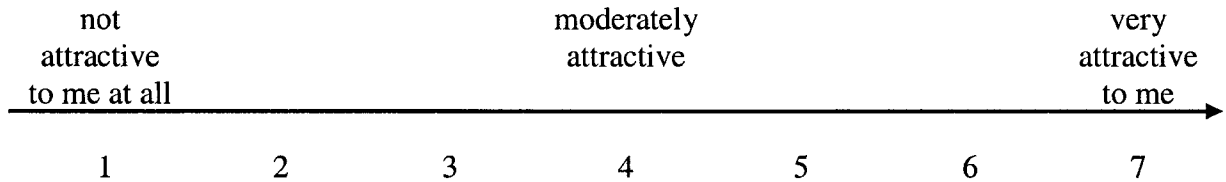
Alternative (b): I would decide to hold onto my notes and not share them in the hope that I could enhance my chances of getting a high grade for my essay.



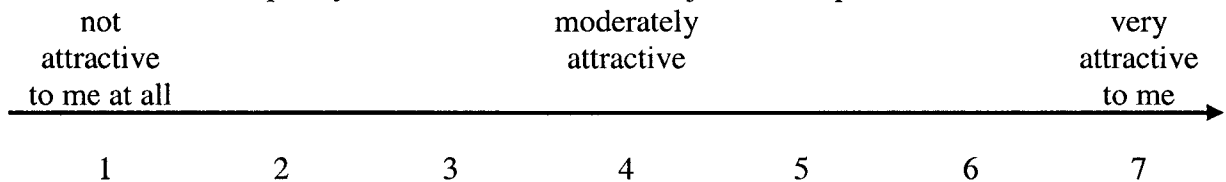
Club Scenario

A student has to decide between either running for political office in a student organization, thereby adding to his/her social recognition, influence, and authority, or joining an organization that respects equality and open minded discussions and that tries to work out positive solutions to universal problems that concern issues related to social justice and peace. If you were student in this situation, how attractive would you find each of the following alternatives?

Alternative (a): I would run for political office in the student organization, thereby obtaining social recognition, influence and authority.



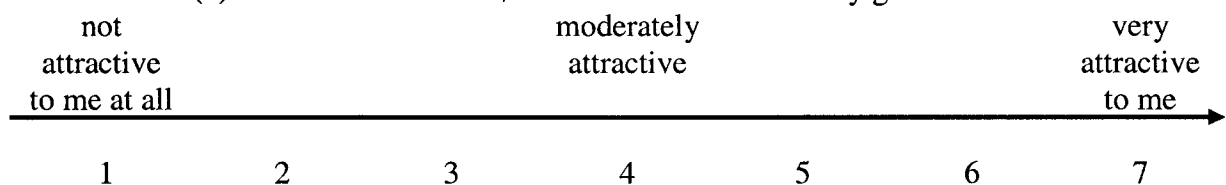
Alternative (b): I would join the organization concerned with universal issues relating to equality, broadmindedness, social justice and peace.



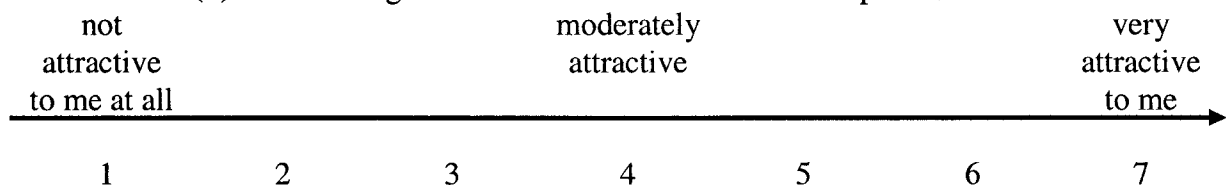
Market Scenario

After purchasing items at a neighborhood grocery store, a shopper realizes that he/she has received too much change back. The cashier has given him/her an extra \$5.00. The shopper must decide if he/she should give the money back or keep it. If you were the shopper in this situation, how attractive would you find each of the following alternatives?

Alternative (a): I would return the \$5.00 that I was accidentally given.



Alternative (b): I would figure the store could afford it and keep the \$5.00.



APPENDIX H

Negotiation Task: Competitive Condition

Please read the exercise description below carefully. When you are finished, continue the questionnaire on the next page.

Negotiation Exercise

You are one of two managers at an event-planning company called Party Central. The director of the company has instructed you to meet with the other manager in order to negotiate your budget for the upcoming year. Your opponent in this negotiation will play the part of the other manager. A larger budget is desirable because it allows you to plan more and better activities, hire more employees, and grow your part of the company. Therefore, you want a larger budget than your opponent for the upcoming year. You should not worry about whether your opponent is satisfied with what he or she gets, but should instead focus on getting as much as possible for yourself.

The total budget to be divided is between you and the other manager is \$100,000. All offers and counteroffers should be in \$1000 increments. The director of Party Central has told you that if you fail to reach an agreement, you will receive a budget of \$35,000, which is equal to your budget of last year. You do not know what the other manager will receive if you fail to reach an agreement. Since you are guaranteed \$35,000, this is your break-even point. You will get points for every \$1000 above \$35,000 that you negotiate for your department.

To increase realism and motivate you to do your best, out of all participants in this study the negotiator who gets the most points (money greater than \$35,000) will win \$100. In the event of tie, all of the highest scoring individuals will be entered into a random drawing for \$100.

Both parties will begin the negotiation by exchanging initial offers recorded on 3 x 5 cards (how much you are willing to offer your partner).. You will then meet and all subsequent information shared and counteroffers will be verbal and conducted in-person. The negotiation will be completed after you and your opponent agree on the division of the \$100,000. You will have 15 minutes for the negotiation. If you reach an impasse (fail to reach an agreed upon division of the money) you will not receive any points. You may be as creative as you like in generating rationales for your position and creating a story to go along with your character. You may also share information with your opponent about your break-even point or keep this information secret.

Note: You may refer back to this page as needed to complete the questionnaires that follow.

APPENDIX I

Negotiation Task: Cooperative Condition

Please read the exercise description below carefully. When you are finished, continue the questionnaire on the next page.

Negotiation Exercise

You are one of two managers at an event-planning company called Party Central. The director of the company has instructed you to meet with the other manager in order to negotiate your budget for the upcoming year. Your partner in this negotiation will play the part of the other manager. A larger budget is desirable because it allows you to plan more and better activities, hire more employees, and grow your part of the company. Therefore, you want to get as many dollars as possible for next year's budget. However, you are also concerned that the other manager at Party Central will be satisfied with your arrangement because 1) he or she must agree to the terms of the negotiation and 2) you must work with him or her in the future.

The total budget to be divided between you and the other manager is \$100,000. All offers and counteroffers should be in \$1000 increments. The director of Party Central has told you that if you fail to reach an agreement, you will receive a budget of \$35,000, which is equal to your budget of last year. You do not know what the other manager will receive if you fail to reach an agreement. Since you are guaranteed \$35,000, this is your break-even point. You will get points for every \$1000 above \$35,000 that you negotiate for your department. However, you should also be concerned about how satisfied your partner is in the negotiation. Your partner's satisfaction level measured after the negotiation on a scale of 1 (very dissatisfied) to 5 (very satisfied) will be multiplied by your points to determine your overall score. Therefore, your goal is to negotiate the best budget for your department that you know your partner will also be happy with.

To increase realism and motivate you to do your best, out of all participants in this study the negotiator who gets the most points (money greater than \$35,000 x partner satisfaction) will win \$100. In the event of tie, all of the highest scoring individuals will be entered into a random drawing for \$100.

Both parties will begin the negotiation by exchanging initial offers recorded on 3 x 5 cards (how much you are willing to offer your partner). You will then meet and all subsequent information shared and counteroffers will be verbal and conducted in-person. The negotiation will be completed after you and your partner agree on the division of the \$100,000. You will have 15 minutes for the negotiation. If you reach an impasse (fail to reach an agreed upon division of the money) you will not receive any points. You may be as creative as you like in generating rationales for your position and creating a story to go along with your character. You may also share information with your partner about your break-even point or keep this information secret.

Note: You may refer back to this page as needed to complete the questionnaires that follow.

APPENDIX J

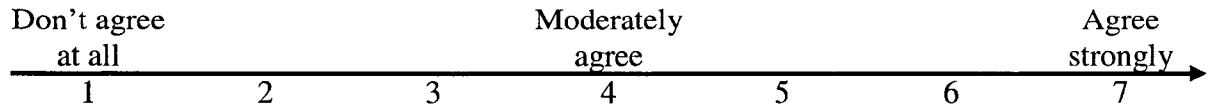
Manipulation Check: Competitive Condition

APPENDIX K

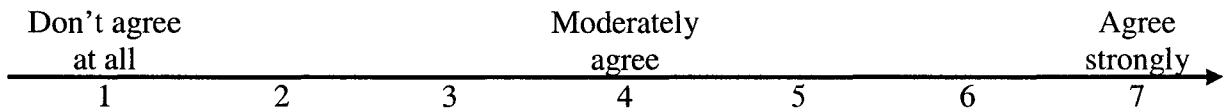
Manipulation Checks: Cooperative Condition

Please indicate the extent to which you agree with the following statements by circling the appropriate number on the scale beneath each statement:

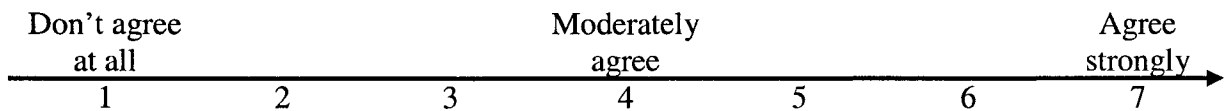
I will be negotiating with a student in the other room who will be playing the part of the other department manager at Party Central.



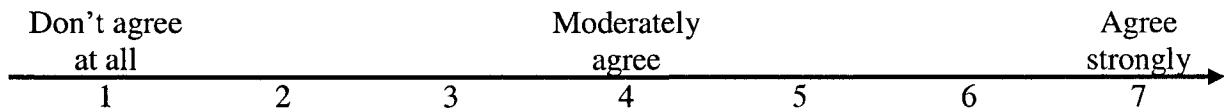
My goal in this negotiation is to get more than my partner.



I will get points for every \$1000 over \$35,000 that I negotiate for myself.



My goal in this negotiation is to find a mutually satisfying outcome for both me and my partner.



When you have finished this page, please raise your hand so that the experimenter can check your answers to make sure that you understand the negotiation exercise.

APPENDIX L

Relationship Quality Perceptions Measure: Cooperative Condition

Based on your perceptions of the values your negotiation partner holds, please rate the following items in terms of the probability that you feel they are true.

Absolutely not true	Probably not true	Maybe true	Probably true	Absolutely true
0	1	2	3	4
☐ 1.	This person and I share many interests.			
☐ 2.	In general, I don't see myself competing with this person.			
☐ 3.	I couldn't depend on this person to have my best interests at heart.			
☐ 4.	I feel that this person can be counted on to help me.			
☐ 5.	I wouldn't feel comfortable disclosing things about myself to this person.			
☐ 6.	Overall, this person and I have little in common.			
☐ 7.	I would feel comfortable telling this person personal things about myself.			
☐ 8.	This person wouldn't make any attempt to see things from my perspective.			
☐ 9.	I would value the opportunity to discuss ideas with this person.			
☐ 10.	This person would be good at seeing things from my point of view.			
☐ 11.	This person wouldn't approve of me.			
☐ 12.	This person would rarely disclose what he or she was thinking.			
☐ 13.	This person would approve of me just the way I am.			
☐ 14.	I respect this person.			
☐ 15.	I would really like this person.			
☐ 16.	This person and I would have a good relationship.			
☐ 17.	This person would bring out strong negative feelings in me.			
☐ 18.	I can count on this person to be loyal to me.			
☐ 19.	This person wouldn't be an ally of mine.			
☐ 20.	This person would be comfortable disclosing things to me.			
☐ 21.	This person would bring out feelings of rivalry in me.			
☐ 22.	This person appears to live up to basic standards of mine.			
☐ 23.	This person is not someone I would seek out to have intellectual conversations.			
☐ 24.	This person and I would not get along.			

APPENDIX M

Relationship Quality Perceptions Measure: Competitive Condition

Based on your perceptions of the values your negotiation opponent holds, please rate the following items in terms of the probability that you feel they are true.

Absolutely not true	Probably not true	Maybe true	Probably true	Absolutely true
0	1	2	3	4
___1.	This person and I share many interests.			
___2.	In general, I don't see myself competing with this person.			
___3.	I couldn't depend on this person to have my best interests at heart.			
___4.	I feel that this person can be counted on to help me.			
___5.	I wouldn't feel comfortable disclosing things about myself to this person.			
___6.	Overall, this person and I have little in common.			
___7.	I would feel comfortable telling this person personal things about myself.			
___8.	This person wouldn't make any attempt to see things from my perspective.			
___9.	I would value the opportunity to discuss ideas with this person.			
___10.	This person would be good at seeing things from my point of view.			
___11.	This person wouldn't approve of me.			
___12.	This person would rarely disclose what he or she was thinking.			
___13.	This person would approve of me just the way I am.			
___14.	I respect this person.			
___15.	I would really like this person.			
___16.	This person and I would have a good relationship.			
___17.	This person would bring out strong negative feelings in me.			
___18.	I can count on this person to be loyal to me.			
___19.	This person wouldn't be an ally of mine.			
___20.	This person would be comfortable disclosing things to me.			
___21.	This person would bring out feelings of rivalry in me.			
___22.	This person appears to live up to basic standards of mine.			
___23.	This person is not someone I would seek out to have intellectual conversations.			
___24.	This person and I would not get along.			

APPENDIX N

Negotiation Intentions: Cooperative Condition

Based on the information you have about the negotiation exercise and your partner, please take a moment before the negotiation to record your goals for the negotiation and the initial offer you will make to your partner.

What is the amount of the budget that you would reasonably like to secure for your department \$_____

What is the starting amount out of the \$100,000 you will offer your partner (the amount you suggest he or she take as a starting point for the negotiation) \$_____

Do you plan on revealing your break-even point to your partner? (Y/N)_____

Do you plan on asking your partner about his/her break-even point? (Y/N)_____

APPENDIX O

Negotiation Intentions: Competitive Condition

Based on the information you have about the negotiation task and your opponent, please take a moment before the negotiation to record your goals for the negotiation and the initial offer you will make to your opponent.

What is the amount of the budget that you would reasonably like to secure for your department \$_____

What is the starting amount out of the \$100,000 you will offer your opponent (the amount you suggest he or she take as a starting point for the negotiation) \$_____

Do you plan on revealing your break-even point to your opponent? (Y/N)_____

Do you plan on asking your opponent about his/her break-even point? (Y/N)_____

APPENDIX P

Ping's (1996) Two Step Estimation Calculations for the Latent Variable Interaction

Calculation of parameters for the latent variable interaction using Ping's (1996) method

Unstandardized Estimates from Model without Product Indicators

<u>Variable</u>	<u>Parameter</u>	<u>Unstandardized</u>
X	Variance of exogenous factor, Var X	0.43
W	Variance of exogenous factor, Var W	1.45
X, W	Covariance of exogenous factors, Cov (X, W)	0.02
x ₁	Loading of indicator x ₁ on factor X, L _{x1}	1.00
	Measurement error variance of indicator x ₁ , VarEx ₁	0.31
x ₂	Loading of indicator x ₂ on factor X, L _{x2}	1.00
	Measurement error variance of indicator x ₂ , VarEx ₂	2.04
w ₁	Loading of indicator w ₁ on factor W, L _{w1}	0.92
	Measurement error variance of indicator x ₁ , VarEw ₁	0.15
w ₂	Loading of indicator w ₂ on factor W, L _{w2}	1.00
	Measurement error variance of indicator w ₂ , VarEw ₂	0.34

Formulae for Calculating Parameters of Measurement Model of Product Indicators

$$\text{Var } XW = \text{Var } X \text{ Var } W + (\text{Cov } X, W)^2$$

$$\text{Cov } (X, XW) = \text{Cov } (W, XW) = 0$$

$$\text{Factor Loading } L_{xw} = L_x L_w$$

$$\text{Variance of measurement error } E_{xw} = L_x^2 \text{ Var } X \text{ Var } E_w + L_w^2 \text{ Var } W \text{ Var } E_x + \text{Var } E_x \text{ Var } E_w$$

Calculated Unstandardized Parameter Estimates of Measurement Model of Product

Variables

Parameter, Value and Derivation

Variance of product factor (XW)

$$.62 = (.43)(1.45) + (.02)^2$$

Loading of product indicator x₁w₁ on product factor (XW)

$$.92 = (1.00)(.92)$$

Measurement error variance of product indicator x₁w₁

$$.49 = (1.00)^2 (.43)(.15) + (.92)^2 (1.45)(.31) + (.31)(.15)$$

Loading of product indicator x₁w₂ on product factor (XW)

$$1.00 = (1.00)(1.00)$$

Measurement error variance of product indicator x₁w₂

$$3.78 = (1.00)^2 (.43)(.34) + (1.00)^2 (1.45)(.31) + (.31)(.34)$$

Loading of product indicator x₂w₁ on product factor (XW)

$$1.00 = (1.00)(1.00)$$

Measurement error variance of product indicator x₂w₁

$$.69 = (1.00)^2 (.43)(.15) + (.92)^2 (1.45)(2.04) + (2.04)(.15)$$

Loading of product indicator x₂w₂ on product factor (XW)

$$.92 = (1.00)(.92)$$

Measurement error variance of product indicator x₂w₂

$$2.85 = (1.00)^2 (.43)(.34) + (1.00)^2 (1.45)(2.04) + (2.04)(.34)$$