# Chapter XVII Computer Mediated Negotiations and Deception

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## ABSTRACT

With the increasing use of technology in the workplace, more organizational communication is electronic and more group tasks are conducted in computer mediated settings than ever before. This includes negotiations, which are an important part of most organizations. Researchers are beginning to realize that the increased use of computer mediated communication in negotiations can change an individuals' behavior, including their negotiation style and ability to detect deception. However, there is limited research in this area, so many originations are likely not aware of the problems associated with deception in computer mediated negotiations. This chapter reviews past research, a current study, and future research directions related to computer mediated negotiations and deception.

## INTRODUCTION

Negotiation is a common activity in business settings, and is a form of decision-making where two or more independent parties converse with one another in an effort to resolve their opposing interests and make joint decisions (Pruitt, 1981). Individuals often negotiate at work where they have to rely on someone else to achieve their objectives (Thompson, 2005). As with many communication related activities, negotiations are now often conducted using computer-based communication technologies. The technologies used to facilitate negotiations include e-mail, instant messaging, and Web-based negotiation systems (Neumann, Kurtzberg, Thompson, & Morris, 2003; Yuan, Head, & Du, 2003).

Computer mediated communication is an important influence on negotiations because individual communication processes are affected by communication media. Feedback, communication cues, language variety, and personal focus vary across media (Daft, Lengel, & Trevino, 1987). Rich, communication settings, such as face-toface settings, have high levels of all four of these characteristics. Lean communication media, such as text-based instant messaging systems, have low levels of these characteristics. Lean media can lead to misunderstandings and inefficiencies because of the lack of these communication elements (Daft et al., 1987). Further, they may decrease individuals' ability to detect deception, which in some settings, could affect their work performance.

The next section reviews the research on negotiation in different communication settings, as well as deception in computer mediated communication settings. Recent studies have begun to look at deception in computer mediated negotiations, and the next section reviews a recent study involving both deception and computer mediation. Next, future research needs are discussed. Finally, a list of key words important to the topics discussed throughout the chapter is provided.

## BACKGROUND

When investigating negotiations in different communication settings, researchers traditionally looked at settings where subjects could hear and see each other, could only see each other, and could only hear each other (Carnevale & Isen, 1986; Carnevale, Pruitt, & Seilheimer, 1981; Lewis & Fry, 1977; Pruitt, 1981; Pruitt & Carnevale, 1993; Rubin & Brown, 1975; Wichman, 1970). While these settings did not use computer-based technology, they did have characteristics that were similar to many computer-meditated settings.

In face-to-face settings, where negotiators could hear and see each other, researchers found that negotiators had difficulty identifying (Pruitt & Carnevale, 1993) and reaching integrative solutions (Carnevale & Isen, 1986; Carnevale et al., 1981). Integrative tactics and solutions involve tradeoffs and fulfilling the interests of all the negotiators, whereas distributive tactics and solutions entail procuring concessions from the other party (Pruitt, 1981).

When looking at negotiators without visual access to each other, similar to phone-based negotiations, researchers found that negotiators had higher levels of cooperation than did those with visual access (Lewis & Fry, 1977). Furthermore, negotiators without visual access were also found to have more integrative outcomes (Carnevale & Isen, 1986; Carnevale et al., 1981). However, when audio and video access were eliminated, similar to e-mail and instant messaging negotiation settings, studies found that negotiators had lower levels of cooperation than did those with visual and audio access (Wichman, 1970) and that their bargaining effectiveness suffered (Rubin & Brown, 1975).

Recently, researchers have expanded this line of research to look at computer mediated settings. As one would expect in a new line of research, the findings have been mixed. Several studies have found that computer mediated negotiators use less of a collaborative negotiating approach and more of a competitive negotiating approach than do face-to-face negotiators (Arunachalam & Dilla, 1995; Purdy, Nye, & Balakrishnan, 2000; Rhee, Hasan, Jacob, & Barhki, 1995).

However, a similar study essentially found the exact opposite. It was discovered that individuals negotiating via a computer were more likely to use cooperation and less likely to use a competitive approach than the face-to-face negotiators. Specifically, these authors found that computer 8 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: <u>www.igi-</u>

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