Personality Traits and Negotiation Style Effects on Negotiators’ Perceptions in a Web-Based Negotiation

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ABSTRACT

This article investigates the relationship between the prior knowledge of someone’s personality traits and negotiation styles in negotiations supported by web-based negotiation support system (NSS) and the negotiator’s perception of the usefulness of NSS, ease of use of communication mechanisms, and outcome satisfaction. A distributive negotiation problem between dyads was proposed for participants. The dyadic analyses were performed using the actor-partner interdependence model. As a result, the analyses found significant effects of prior knowledge of information about personality traits and negotiation styles on the negotiator’s perception (actor effects) of the usefulness and ease of use of communication mechanisms, and an indirect effect on outcome satisfaction. Significant effects were also found in the relationship between the opponents’ perceptions (partner effects) on ease of use of communication mechanisms and prior knowledge about personality traits and negotiation styles, as well as their effects on outcome satisfaction.

KEYWORDS
Communication Mechanisms, Negotiation, Negotiation Style, Negotiators’ Perceptions, Outcome Satisfaction, Personality Traits, Usefulness System, Web-Based Negotiation Support System

INTRODUCTION

Negotiation is a fundamental form of social interaction in which people mutually allocate scarce resources (Thompson & Hastie, 1990). Specifically, electronic negotiation is an interactive communication and decision-making process between at least two individuals using an electronic system (Bichler et al., 2003; Schoop et al., 2014). The evolution of electronic system concepts has led to a new approach of the online negotiation tool known as the negotiation support system (NSS), which provides support of the whole negotiation process based on the virtual environment (Jelassi & Foroughi, 1989). If the NSS uses the Internet as the electronic medium to support the negotiation, it is referring to the Web-based NSS or e-negotiation (Kersten & Noronha, 1999; Bichler et al., 2003).

The NSS focuses on conflict resolution support between two or more parties who require an interactive communication channel to support negotiation processes (Turel & Yuan, 2007; Dannenmann & Schoop, 2010). Currently, in a business context, most online negotiations are performed without face-to-face contact, which may prevent hostility and avoid suspicion (Carnevale & Probst, 1997). However, it does not provide any information about the negotiator’s characteristics or individual differences, such as personality traits (Yiu & Lee, 2011) and negotiation style (Mintu-Wimsatt, 2002;
This kind of information may be relevant to negotiators during negotiation processes and can influence outcomes (Barry & Friedman, 1998).

Although early studies suggested that individual differences play a minimal role on negotiation outcomes (Thompson, 1990; Lewicki et al., 1993; Pruitt & Carnevale, 1993), recent studies have discussed the role of individual differences in negotiations, such as personality traits and negotiation styles. Sharma et al. (2013) stated that personality traits demonstrate predictive validity over multiple outcomes. In addition, Elfenbein et al. (2008) showed the influence of traits on people's feelings in negotiations. These and other studies (Elfenbein, 2015; Curhan et al., 2006) argue that individual differences are an important topic to researchers, educators, organizations, and the public.

Although this topic is relevant, few studies have addressed these issues in the negotiation area. This opens a wide range of possibilities for new studies devoted to investigating the role of individual differences (e.g., personality traits and negotiation styles) in a negotiation context, specifically in online negotiation. Based on this research need, this study proposes a new investigation of the relationship between prior knowledge of personality traits and negotiation styles and the negotiator’s perceptions of negotiations supported by a web-based NSS. These perceptions are related to the usefulness of NSS, ease of use of communication mechanisms, and outcome satisfaction. Furthermore, this study also investigates the mutual influences between negotiators during a negotiation and their effects on the negotiators’ perceptions.

Moreover, this study aims to show a new perspective of the individual differences (i.e., personality traits and negotiation styles) in the negotiation process supported by the NSS. Specifically, the role of previous knowledge of personality traits and negotiation styles on the negotiator’s perceptions in negotiations that are supported by a web-based NSS are explored. In addition, it considers the mutual influences that exist in the negotiation process.

LITERATURE REVIEW

The Role of Personality Traits and Negotiation Style in the NSS

Online negotiations are based on electronic systems and using a web environment to promote a communication channel among negotiators in real time, anywhere in the world. This communication channel provides informational tools to enable the offer/counteroffer formulation and exchange, often asynchronously, between two or more parties to reach an agreement (Bichler et al., 2003). Usually, this process does not include face-to-face interaction between the negotiators during the negotiation process, which reduces verbal, social, and behavioral cues (Jelassi & Foroughi, 1989). The lack of face-to-face interaction makes it difficult for individuals to directly observe and monitor each other's behavior (Hill et al., 2009). This is the main criticism of negotiations supported by online tools such as NSS.

Usually, the NSS environment not provides multimedia resources for negotiators, such as audio and video, to minimize the lack of face-to-face communication. Thus, it can hinder comprehension of the other characteristics in the negotiation process. Early studies (Pruitt & Carnevale, 1993; Neale & Bazerman, 1992) have shown that comprehending individual characteristics (i.e., personality traits and negotiation style) plays an important role during the negotiation process. Therefore, it’s important to understand and measure the personality and individual differences in order to collect information to make an accurate judgment of the negotiation situation (Thompson, 1990).

In early research, Barry and Friedman (1998) conducted two studies to examine the role of individual differences in negotiations, and they concluded that the relative impact of individual characteristics occurs during the negotiation. Along this line, Korobkin (2000) stated that to reach a beneficial agreement requires not only a plethora of analytical and communication skills, but also the ability to deploy them in different ways, depending on the context of the negotiation and the personality of the opposite party. It can affect the negotiator’s perception during and at the end of
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