**Ethics in Negotiations: How to Deal with Deception at the Bargaining Table**

**Learn how ethics in negotiations can change results at the bargaining table.**

**By** [**PON Staff**](https://www.pon.harvard.edu/author/pon_staff/) **— on February 18th, 2020 /** [**Dealing with Difficult People**](https://www.pon.harvard.edu/category/daily/dealing-with-difficult-people-daily/)

You say you would never lie during a negotiation. Your ethical standards are solid—right? Ethics in negotiations are an important subject.

But imagine that after spending months looking for a new job, you’ve received an attractive offer to serve as the director of innovation for a growing start-up company. As talks proceed, the hiring manager asks whether you have any other offers on the table. You don’t have any other offers, but you find yourself claiming to have “several concrete offers.” When the manager presses for details, you tell her that the other offers are “significantly higher” than the one her company made.

While salary negotiations are intense, high-pressure bargaining situations, you had no intention of deceiving a prospective employer and may not have even noticed you were engaging in deceptive negotiation strategies. So why did you? Ethics in negotiations can bring up a lot of scenarios we never imagined ourselves in.

**Dilemmas with Ethics in Negotiation**

In past issues of [*Negotiation Briefings*](http://www.pon.harvard.edu/category/publication/negotiation-briefings/) experts have explained why dilemmas are so common with ethics in negotiations and offered tips on detecting an opponent’s [deception](http://www.pon.harvard.edu/tag/deception/). Adding to this discussion, we will identify four forces that may tempt you to behave unethically when you negotiate and suggest ways to overcome their influence.

**4 Ways Your Ethics in Negotiations Will Be Challenged at the Bargaining Table**

**The forces behind deception**

Despite your best intentions, one or more of these four forces might lead you to have better ethics in negotiations:

**Negotiation Ethical Challenge #1. The lure of temptation.**

Whether or not negotiators lie depends in part on how lucrative the rewards are, Ann E. Tenbrunsel (one of the authors) has found. In one of her studies, participants played the role of a partner in a two-partner firm that was being dissolved. They were asked to provide “honest” estimates of the market share of their products to help determine how to divide the firm’s equity between the two partners.

Some participants were told that if they were awarded the most equity, they would receive $1; others were told they would receive $100 in the same instance. Those promised only $1 misrepresented their “honest” estimates 41% of the time; by contrast, those promised $100 misrepresented their estimates 69% of the time. The higher reward provided a significant temptation to lie.

Similarly, the larger the bribe, the more likely we are to take it, Harvey Hegarty of Indiana University and Henry Sims of the University of Maryland found.

Returning to our opening story, the more desirable the job, the more likely you would be to lie about having better offers. It seems our ethical standards are more fluid than we would like to believe.

**Negotiation Ethical Challenge #2. Uncertainty’s attraction.**

Uncertainty increases the likelihood that we will be unethical, Roy J. Lewicki of Ohio State University and other researchers have noted. Uncertainty about the material facts in a negotiation can inspire unethical behavior.

In another study using the two-partner situation described above, Tenbrunsel led negotiators to be either fairly certain or fairly uncertain about the honest estimate of the market share of their products. Rather than providing more cautious estimates, uncertain negotiators actually provided more aggressive, less honest estimates than the more confident group.

It seems that in a job negotiation, uncertainty about the possibility of a better offer could increase the likelihood that you would falsely claim to have other offers.

**Negotiation Ethical Challenge #3. The power of powerlessness.**

“Power tends to corrupt and absolute power corrupts absolutely,” said historian Lord Acton, yet studies show that a lack of power is more likely to lead us to behave unethically.

Consider that outside alternatives to agreement are a strong source of power in negotiation. In their research, Tenbrunsel and David Messick of Northwestern University found that a lack of outside options increased negotiator deception. In one study, participants acted as managers [negotiating](http://www.pon.harvard.edu/tag/negotiating/) with potential clients. When managers were told they had relatively few other potential clients, they were more likely to misrepresent information than when they were told they had plenty of potential clients. No wonder, then, that a job applicant lacking other solid offers might be tempted to claim that she has many.

**Negotiation Ethical Challenge #4. Anonymous victims.**

Suppose your job negotiation is with several people—a recruiter, the human-resources manager, the division president, and the director of sales. When negotiating with this group, you’d be more likely to lie than when negotiating with one person, our research with Charles Naquin of DePaul University suggests. In one study, participants were presented with an ethical dilemma and were faced with whether to lie to their opponent. For half the participants, that opponent was an individual, and for the other half, that opponent was represented by a group of individuals. Participants with a group of opponents lied to them about the amount in the pot 73% of the time; those with individual opponents lied only 36% of the time.

Probing further, we found that [negotiators](http://www.pon.harvard.edu/tag/negotiators/) perceive interactions with groups to be less personal than interactions with individuals, a perception that they believe justifies increased unethical behavior when [dealing](http://www.pon.harvard.edu/tag/dealing-with-difficult-people/) with groups.