

# Ethics in Negotiation

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# Please Read Me

- Check the message **Welcome greeting** published in the News Bulletin Board.
- Dear student please edit your profile uploading a photo where your face is clearly visible.
- The purpose of the virtual meetings is to answer questions and not to make a summary of the study material.
- This presentation is based on (Lewicki, Barry, and Saunders 2016, Chapter 5)

# Purpose

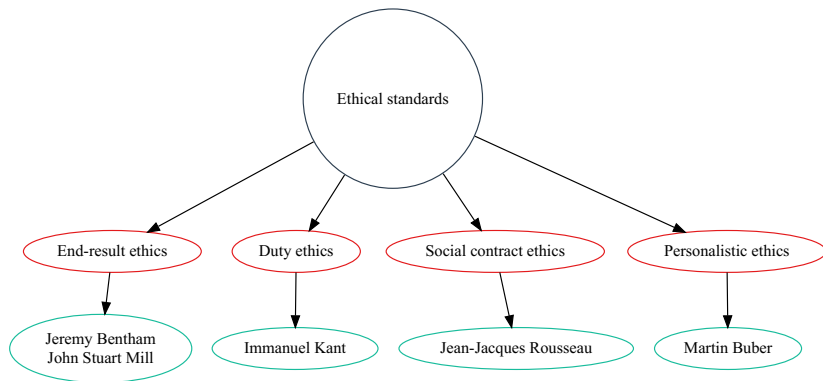
Explore and understand the ethical standards commonly accepted in a negotiation process in order to detect and deal with deceptive tactics.

# Ethics and its relationship with negotiation

- Ethics is understood as the social standards that are applied to examine what is right or wrong in a specific situation or a process to establish such standards (Lewicki, Barry, and Saunders 2016, Chapter 5, p 116).
- The ethical considerations in a negotiation are related to how the exchange of information occurs (Lewicki and Robinson 1998).
  - Because the exchange of information in the negotiation process is vital, the analysis of ethics is associated with examining whether or not there is a dishonest communication.

# Ethics and its relationship with negotiation

- To evaluate how ethical the strategies and tactics are in a negotiation, 4 standards can be used (Lewicki, Barry, and Saunders 2016, Chapter 5, p 118):



# Ethically ambiguous tactics

- There are tactics that are not ethical and that can be quickly identified, such as stealing confidential data from the counterpart.
  - These types of tactics must be removed from the negotiator's toolbox.
- However, in the context of negotiation there are gray areas. These gray areas are known as ethically ambiguous tactics within the theory of negotiation.
  - These tactics are related to what the negotiators say or what they claim they will do concerning what they really do.

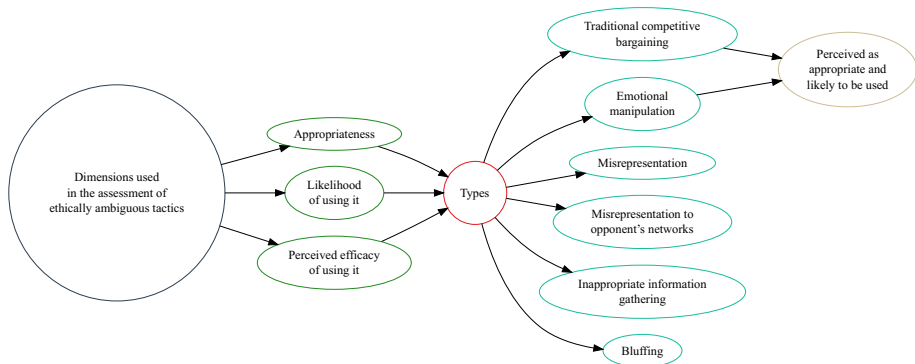
# Ethically ambiguous tactics

- Gray areas within a negotiating context regarding ethically ambiguous tactics are presented due to the 2 dilemmas a negotiator faces:
  - Dilemma of honesty
    - How much truth should be revealed to the counterpart?
  - Dilemma of trust
    - How much should a negotiator believe what the counterpart says?

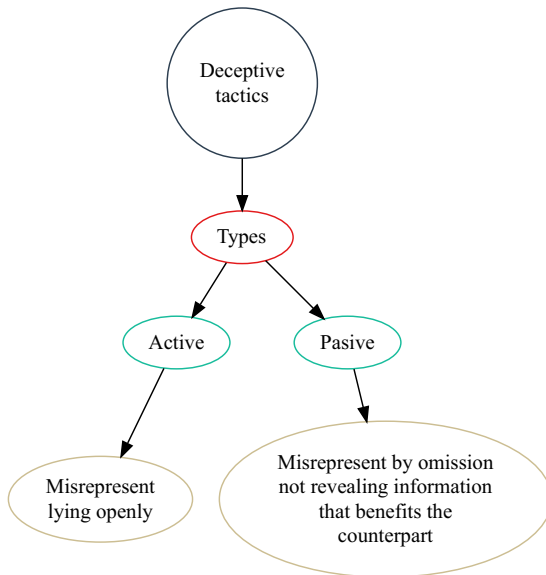


# Ethically ambiguous tactics

- Types of ethically ambiguous tactics



# Motives and consequences of using deceptive tactics



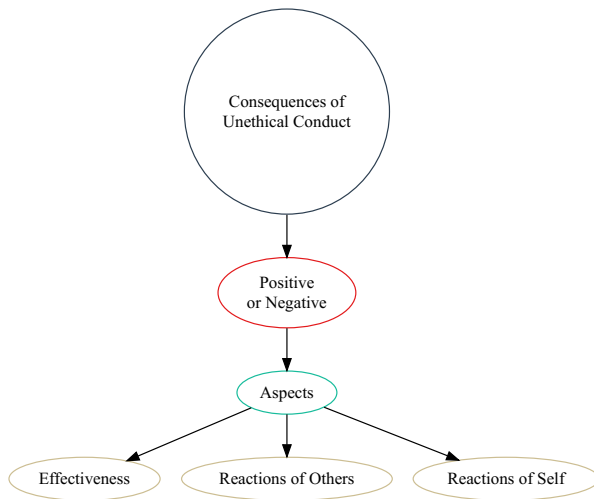
# Motives and consequences of using deceptive tactics

- Why do negotiators use deceptive tactics in the context of a negotiation?
  - Need to acquire greater power through the manipulation of information to get closer to the target point
  - Use of a more competitive negotiation style<sup>1</sup>

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<sup>1</sup>This aspect generates a greater probability of using this type of tactics

# Motives and consequences of using deceptive tactics



# Motives and consequences of using deceptive tactics

- **Effectiveness**

- Deceptive tactics generate **positive consequences** when the outcome of the negotiation improves compared to whether a negotiator had acted ethically and if the conduct is not punished where the consequences materialize in the short run.
- Deceptive tactics generate **negative consequences** because the reputation of the negotiator is damaged where the consequences materialize in the future.

# Motives and consequences of using deceptive tactics

## ● Reactions of Others

- Deceptive tactics generate **positive consequences** only if constituents, indirect actors or interest observers considered appropriate to use this type of tactics<sup>2</sup>.
- Deceptive tactics generate **negative consequences** because retaliations occur directly from the counterpart and possibly from the constituents, indirect actors or interest observers if they consider that the tactic used is inappropriate<sup>3</sup>.

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<sup>2</sup>This is my own personal opinion and it is not mentioned in (Lewicki, Barry, and Saunders 2016, Chapter 5)

<sup>3</sup>As a personal opinion in the case of the indirect actors or interest observers the retaliation is materialize through a social sanction.

# Motives and consequences of using deceptive tactics

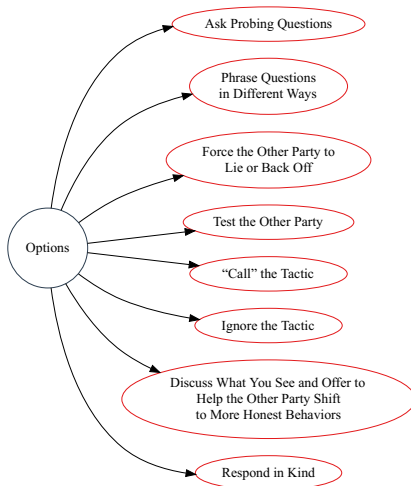
## • Reactions of Self

- Deceptive tactics generate **positive consequences** only if the negotiator does not suffer from guilt, remorse or discomfort.
- Deceptive tactics generate **negative consequences** when the negotiator suffers from guilt, remorse or discomfort for having used these tactics<sup>4</sup>

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<sup>4</sup>This issue directly affects the negotiation since the negotiator is willing to make greater concessions to the counterpart to compensate for using deceptive tactics.

# Dealing with the use of deceptive tactics by the counterpart





# Dealing with the use of deceptive tactics by the counterpart

- **My personal opinion:**

- Read the article (Adler 2007):
  - Before the Bargaining Begins
  - During the Bargaining Process
- I think the best approach is to follow the recommendations in the section **Before the Bargaining Begins** because they are carried out during the planning stage of a negotiation where there is more time and information that can be collected in order to respond adequately to deceptive tactics.

# Acknowledgments

- To my family that supports me
- To the taxpayers of Colombia and the **UMNG students** who pay my salary
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- To the **Linux kernel community** for allowing me the possibility to use some **Linux distributions** as my main **OS** without paying for a license

# References

- Adler, Robert S. 2007. "Negotiating with Liars." *MIT Sloan Management Review* 48 (4): 69–79.
- Lewicki, Roy J., Bruce Barry, and David M. Saunders. 2016. *Essentials of Negotiation*. Sixth Edition. Dubuque: McGraw-Hill Education.
- Lewicki, Roy J., and Robert J. Robinson. 1998. "Ethical and Unethical Bargaining Tactics: An Empirical Study." *Journal of Business Ethics* 18 (2): 211–28. <https://doi.org/10.1023/A:1005719122519>.