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COOPERATION AND COLLECTIVE PERFORMANCE IN LABOR NEGOTIATIONS: THE ROLE OF THE NEGOTIATOR'S MOTIVATION

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Understanding the factors that determine the process and results of labor negotiations is very important for the performance of organizations. This need has recently become stronger because of the issues that organizations face today. Nowadays they operate in complex situations involving major transformations imposed by globalization, digital technology and the rise of artificial intelligence as well as by the individualization of the relationships between unions and employers.

In this context, labor negotiation can play a major role by becoming the means of federating all the different elements of the organization to contribute to these transformations.

Like all negotiations, labor negotiation is a complex interaction between the different parties involved whose result depends on many factors.

Whether it occurs in the public or the private sector, this specific type of negotiation takes place in highly normative organizational contexts. In this normative context, the legal aspect of labor negotiations has for a long time been dominant, particularly in France (Lichtenberger, 2013). However, this legal approach has also acted as a brake on taking into consideration various other approaches that can teach us a lot about the process and the behavioral practices that will best facilitate labor negotiators.

Among these, the psychosocial approach, widespread in North America where the culture of labor negotiation is not limited to the search for a compromise but includes the behavioral dimension of the negotiation (bargaining), opens new perspectives towards understanding the conduct of this kind of social interaction.

This is the approach that we have adopted in the present study, whose objective is to explore the psychosocial processes operating in labor negotiators, particularly the negotiator's motivation as to the desired result.

We will show that the results of labor negotiations can vary in accordance with the negotiator's subjective perceptions and motivations.

It thus becomes essential for workers' and employers' representatives to understand these subjective factors in

order to better comprehend and conduct the negotiations in which they are involved.

LABOR NEGOTIATIONS: A SITUATION OF COOPERATIVE INTERDEPENDENCE OR THE IMPORTANCE OF COOPERATION PROCESSES

The structural basis of all labor negotiations, whether emergency or planned, is a cooperative relationship between the parties involved because they all work in the same organization and share, consciously or unconsciously, the same overall objective (Heckscher & Thuderoz 2015): the very survival of the organization.

According to Morton Deutsch, author of *Cooperation/Competition Theory* (1973), the relationship between the objectives and the priorities of workers' and employers' organizations gives rise to two types of interdependence that structure the behavior of the said organizations in situations of social interaction. These are competitive interdependence (competition) in the context of which the achievement of the objectives of one party pre-supposes failure to achieve the objectives of the other, and cooperative interdependence (cooperation) in the context of which the achievement of the objectives of one party can only occur on condition that those of the other are also achieved.

Despite its structurally cooperative nature, the institutional and organizational framework within which labor negotiations take place, as well as national culture (Brett & Crotty, 2008) and factors peculiar to the negotiators (Pruitt & Rubin, 1986) represent levers or brakes on the emergence of cooperation. Now, these cooperation processes prove to be very important for the smooth running of labor negotiations and for the performance of the organization.

In fact, research in the fields of labor economics and human resources management exploring the role played by unions has demonstrated a relation between quality of industrial relations and corporate performance. Though research conclusions are not always consistent on whether Unions have a positive or a negative impact



on organizations' financial performance (Freeman & Medoff, 1984; Verma, 2005; Doucouliagos & Laroche, 2009; Huang et al., 2017) several studies highlight that the nature of unions' impact depends on the response given by the management (Pohler & Luchak, 2012) and advice both partners to adopt a collective approach to the problem and to prefer cooperation over competition to increase organizational performance.

In this context of structural cooperation from which labor negotiation benefits, we consider that the behavioral strategy used by the negotiators can provide some relevant answers as to the emergence or lack of emergence of cooperative processes.

Based on studies of many organizations, Walton and McKersie describe, in a model that has become a fundamental reference in the field of negotiation studies (Walton & McKersie, 1965), two behavioral strategies which prove to have a strong impact on the emergence of cooperation processes and on the creation of value for the organization (Weingart et al., 1990; Kong et al., 2014). The term strategy designates the goal-directed behaviors used in trying to achieve the desired result (Brett & Thompson, 2016).

According to Walton and McKersie's model, the first strategy, called distributive, mobilizes competitive processes and aims to maximize the gains of the party concerned at the expense of the other (Galinski, 2001; Gunia et al., 2013). The second is a cooperation strategy (integrative strategy) which is diametrically opposite to the first in that it mobilizes a set of processes and behaviors aiming to create value for all the parties involved in the negotiation and achieve joint resolution of the problem/

conflict (Pruitt, 1981; Olekalns & Smith, 2000; Koutsovoulou, 2001; Maddux et al., 2008).

In a more recent study (Walton et al., 1994) the authors of the now classic *A Behavioral Theory of Labor Negotiations* conclude that most labor negotiations call on mixed strategies that include stages that are strongly distributive and others that are more integrative. The succession of these behaviors (distributive and integrative) have been studied in order to explore the behavioral dynamics leading to the introduction of cooperative processes into conflictual labor negotiations (Koutsovoulou, 2001) and also exploring the importance of reciprocity in negotiations (Druckman & Olekalns, 2013).

As a conclusion to this brief theoretical introduction which aims to enlighten the reader as to the conditions that favor the emergence of cooperation in labor negotiations, we quote Brett and Thompson's (2016) model. According to these authors, the result of the negotiation depends on several factors situated at three levels: (i) the integrative potential of the negotiation, i.e. the complementarity of the objectives and priorities of the parties involved (Deutsch 1973), (ii) the strategies used by the negotiators (Walton & McKersie, 1965), and (iii) the interaction between the negotiators, which determines whether the strategy they use will lead to the desired result. This final level of analysis includes psychological factors – such as the motivation of the negotiators, their cognitive bias, their emotions and their inclination to trust others – and social-environmental factors such as reputation, power, status and culture.

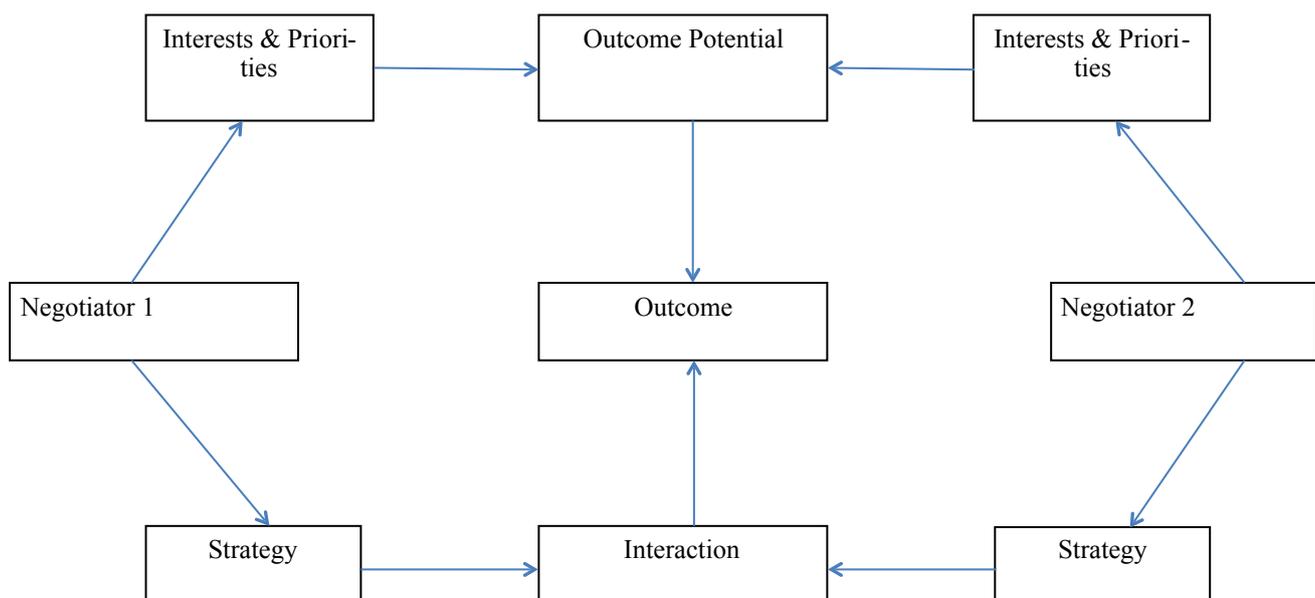


Figure 1. A model of negotiated outcomes (adapted from Brett & Thompson, 2006)

SOCIAL PSYCHOLOGICAL FACTORS AFFECTING LABOR NEGOTIATIONS' RESULT: NEGOTIATOR'S SOCIAL MOTIVES

In the field of research dedicated to labor and more generally to organizational negotiation different approaches have been developed, each focusing on a specific family of contextual or individual social-psychological factors.

These studies' conclusions contributed to widen our knowledge of the conditions that favors or hinders the emergence of specific negotiation behaviors in conflictual contexts. Their social psychological gaze allowed us to explore what cannot be explored by the economic approach for which "social actors are super people behaving based only on rational choices" (Thompson, 1990; 2006; Carnevale & De Drew, 2006).

In their recent study Brett and Thompson (2016) define negotiators' social motives as goals in social interaction and inspired by Deutsch's Cooperation/Competition theory (1973) and the Dual Concern Model (Pruitt and Rubin, 1986) describe two major types of social motives accordingly to the importance given to one's own interests over the other's interest. Accordingly to these opposite types of motivation we define proself negotiators who are competitive motivated and pro-social ones who are cooperative motivated.

Focusing on the effects of social motives on negotiation process, De Dreu, Weingart and Kwon (2000) proceeded to a meta-analysis in order to assess the validity of these two theories regarding the link between social motives and integrative negotiation processes (negotiation behavior and negotiation agreement). Cooperation theory argues that prosocial individuals committed themselves to more integrative behavior than egoistic individuals. Likewise, Dual Concern Theory postulates that prosocial individuals produced more integrative processes (behavior and outcomes) than egoistic (proself) individuals, but, only when they have high "self-concern" or resistance to yielding.

In the following sections we present an experimental study we conducted on the purpose to explore negotiators' social motives effect on the integrative quality of labor negotiation agreement (Thompson, 1990).

Among the large number of psychosocial variables available, we have chosen the negotiators' social motivation because it proves to have one of the strongest effects on the emergence of cooperative processes in the negotiation (Druckman, 1994; De Dreu, 2004).

The objective of our study is to explore the application of these results in the context of labor negotiations. In order to do this, we used an experimental method where we simulated a labor negotiation during which a meeting takes place between unions and management, because this is the only methodology that enables a causal relationship to be established between the variables being studied and the result observed. Indeed, to date, collective negotiation has largely been studied through different quantitative and/or qualitative ap-

proaches in different fields of research (labor economics, organizational studies, legal studies), however among these studies there are few experiments that place the subjects in face-to-face interactions (simulation scenarios).

Finally, in order to reproduce the real conditions of a labor negotiation, but also in order to study the degree of motivation among the negotiators with respect to other psychosocial variables, we studied the effect of social motivation among two other variables that are involved in labor negotiations and which can in turn affect the behavior of the negotiators and the result of the negotiation.

Thus, in the present study we focused on the effects exerted by negotiator's social motives (prosocial vs proself) but also on the effects of negotiators' preparation (individual vs. collective) conditions of power (BATNA: existence or absence of an alternative solution to negotiation; Shearer et al., 2016) on labor negotiation agreement.

METHODS

160 subjects, all of them graduate level (MIM) or senior business students (EMBA) participated in a simulation of a bilateral labor negotiation. Subjects were randomly distributed into one out of the six experimental conditions resulting from the combination of the three aforementioned variables. Table 1 presents the details of the experimental conditions.

Table 1 · Experimental study of social motives' effects on the quality of the negotiation agreement

| Experimental Study | |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Object | Study the principal and combined effects of the variables <i>Negotiator's Social Motives</i> , <i>Negotiation Planning</i> and <i>Existence vs absence of alternative solution to negotiated agreement (BATNA)</i> on the integrative quality of negotiation agreement. |
| Subjects | 120 graduate students and 40 Executives 98 male and 62 female randomly attributed to one out of 80 experimental groups |
| Material | Dupont, Audebert & Koutsovoulou (2006). Labor negotiation case study (simulation scenario) |
| Independent variables | <ul style="list-style-type: none"> • (O₂) Social Motives. Two modalities between subjects variable : O1= Prosocial, O2 = Proself; • (P₂) Negotiation Planning. Two modalities between subjects variable: P1= Bilateral preparation, P2 = Unilateral preparation; • (B₂) BATNA. Two modalities between subjects variable: B1= Absence of alternative solution in case of breakdown, B2 = Presence of alternative solution in case of breakdown. |

The choice of experimental subjects—elite business students—corresponded to the need for generalization of our results to real negotiation situations. Earlier experimental research shows that inexperienced subjects, who have no contact with negotiation situations, face difficulties in perceiving the integrative potential of negotiation as well as the possibility of a constructive agreement (Thompson, 1990).

The independent variables social motives, negotiation planning and BATNA were manipulated by instructions. In order to introduce prosocial and pro-self social motives we invited experimental subjects to consider negotiation as a problem solving or as a win-lose situation respectively (according to the experimental condition). The measure we used for assess the integrative quality of reached agreement is the Integrative Solution Index (ISI).

We calculate the amount this index (I.S.I.) according to the following formula:

$$\frac{[(\text{Gain}_{\text{Party 1}} - \text{Gain}_{\text{Party 2}}) - (\text{Joint Gain} - \text{Compromise joint gain})]}{\text{Compromise joint gain}}$$

The construction of this index is based on the assumption that a high quality integrative solution implies two points:

- There is no winner-loser so both parties win equally (the origin of the difference between the individual gains of the two parties);
- The collective gain is superior to that of the compromise (the origin of the difference between measurable collective gain and collective gain from the compromise).

The denominator of the index, the collective gain from the compromise, works as a stable reference to evaluate individual and collective gains.

The value of the statistic varies between $-.61$ and $.75$, the lowest value indicating a final agreement with a high degree of integrative solution. Values that approach zero tend towards compromise, whereas higher and positive values tend towards distributive agreements. Additionally, the value $.75$ has been established arbitrarily as a value that corresponds with the absence of a final agreement. This is the worst possible solution in terms of integrative solution.

Finally, in order to ensure the validity of our experimental manipulation, we proposed a series of questionnaires to the experimental subjects. Three different questionnaires were submitted to the subjects at different stages of the experiment. These questionnaires offered us useful information concerning:

- Subject's perception of their position relevancy and understanding of their interests and priorities;
- Subjects dogmatism level, and;
- Manipulation checks for the three studied variables.

RESULTS

Manipulation checks. Manipulation checks' results support the validity of our experiment regarding the totality of the dimensions explored by the five questionnaires used on this purpose.

- Concerning subjects' dogmatism, the reliability analysis of the questionnaire is positive (Cronbach's alpha : $\alpha = 0.74$) and an ANOVA reveals no significant principal or combined effect of one or the three variables on subjects dogmatism. These results demonstrate that subjects dogmatism degree was measured with relevancy and also that subjects were randomly distributed into the different experimental conditions. Consequently, according to these results we can state that a significant effect of negotiator' social motives on negotiation result is independent from any aspect relatif to subjects trend to dogmatism;
- Concerning subjects' perception of their position relevancy, the reliability analysis of the questionnaire is positive (Cronbach's alpha $\alpha = 0.81$) and an ANOVA reveals no significant principal or combined effect of one or the three variables on subjects position relevancy. Additionally to these results, a descriptive analysis demonstrated that independently to their experimental condition subject have a positive evaluation and identification to their own positions;
- Finally, all the manipulation checks bring significant evidence of the reliability of the variables manipulation (*Social Motives*, $\chi^2 = 83.93$, $p = 0.000$; *Negotiation Planning*, $\chi^2 = 48.79$, $p = 0.000$; *BATNA*, $\chi^2 = 89.56$, $p = 0.000$).

Social Motives, Negotiation Planning and BATNA. Tables 2 and 3 show the descriptive results dealing with the average quality of the simulated negotiations for all the experimental conditions of our experimental design. We recall that at the end of the experiment the 80 negotiation simulations were coded in terms of the quality of their results using the ISI (Integrative Solution Index). The value of the index varies between $-.61$ and $.75$, the smallest amount indicating the most integrative agreement. We also recall that the most integrative solution is achieved when each negotiator concedes to the top priority of the other party, while holding to his own top priority.

An ANOVA conducted by this data showed two significant effects on the quality of the final negotiated agreement.

The first one is the significant effect ($F = 4.82$, $p = 0.029$) of the variable *Social motives* which also give us a deductive confirmation of the descriptive results presented above. Actually, prosocial dyads produce negotiation solutions that are notably more integrative than prosel self dyads.

The two variables *Negotiation Planning* and *BATNA* have no significant effect on the quality of negotiation agreement.

Table 2 · Mean agreement quality for all experimental conditions

| | P1 | | P2 | | Mean |
|------|-----------------|----------------|-----------------|----------------|-------|
| | O1 | O2 | O1 | O2 | |
| B1 | -.112 (.283) | .027 (.332) | -.092 (.149) | .133 (.375) | -.011 |
| B2 | -.082 (.337) | .185 (.394) | .138 (.464) | .010 (.483) | .062 |
| Mean | -.097 | .106 | .023 | .071 | .025 |

Table 3 · Mean principal effects on the negotiated agreement quality

| Variables | Modalities | |
|-----------|------------|------|
| | 1 | 2 |
| P | .004 | .047 |
| O | -.037 | .089 |
| B | -.011 | .062 |

The second significant effect is a combined one. In order to better understand the application of this effect we'll analyze it through the detailed study of the variable *Social motives* as it affects negotiation result within the specific conditions created by the two other variables. Table 4 shows the results of this combined effect.

The partial comparisons analysis show that negotiator's social motives significantly influences the integrative quality of negotiated agreement when subjects prepared their upcoming negotiations by studying their own positions and their opponents positions as well (bilateral planning) and when they had an alternative solution to negotiated agreement in case of a breakdown of the current negotiation. In these precise conditions, prosocial negotiators reach agreements significantly more integrative than proself negotiators (O1 = -0.082; O2 = 0.185, $p = 0.02$). When negotiators prepare the upcoming negotiation focusing only on their own positions and have no other alternative to the current negotiation, the variable social motives has an almost significant effect on the quality of the negotiated agreement ($p = .051$). In all the other instances of the three variable combined effect we have no significant effect.

Table 4 · ANOVA: Partial comparisons

| Partial comparisons | Effect value | p |
|---------------------|--------------|-------|
| O/p1b1 | -.0844 | .2271 |
| O/p1b2 | .1024 | .0208 |
| O/p2b1 | .0414 | .0516 |
| O/p2b2 | .1279 | .2662 |

DISCUSSION

Inspired by earlier theoretical and empirical studies dealing with the emergence and the role of cooperative behaviors (integrative processes) in negotiations, we studied how this processes appear in labor negotiation and how they affect labor negotiation agreement. More specifically, we studied in an experimental study the role of three important social psychological variables on the quality of negotiated agreement with a specific focus on the effects of negotiators' social motives.

Our study brings support to former theoretical and empirical studies on integrative processes and demonstrates the important effect of negotiators' social motives on integrative quality of negotiation agreement. It contributes also to widen our knowledge of the specific field of labor negotiation inasmuch as negotiators social motives is a part of the social psychological approach of negotiation.

The fact that prosocial negotiators reach more integrative agreements than proself ones may appear to be a predictable result, yet in conflictual labor negotiation it is an important finding insofar as it encourages Unions and Management to have a special concern towards this aspect when choosing their representatives.

Another useful perspective for Unions and Management triggered by our study is how to create the necessary conditions to the emergence of such motives in their corporate environment and delegations. Corporate culture, labor negotiation culture and collective spirit may be part of the variables contributing to the definition of negotiators' social motives.

This question offers as well new perspectives for further fundamental and field based research. •

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