

# **Pitfalls and Stumbling Blocks in Negotiation Processes**

Cornelia R. Karger  
Peter M. Wiedemann

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## **1. The Round Table as a Negotiating Situation**

Negotiating is an important form of social behaviour. Negotiations take place in various contexts, on an interpersonal level between mother and daughter, in the political field or between employer and employee. Wherever conflicts of interest exist and there are no rules or procedures to directly solve conflicts, negotiating can be one possibility for reaching an agreement (Lewicki & Litterer, 1985).

According to Thompson (1990) a negotiating situation has the following characteristics: (a) the negotiating parties believe that they have conflicting interests; (b) in principle it is possible to communicate with each other; (c) intermediate solutions or compromises are possible; (d) the negotiating parties may make provisional offers and counteroffers; (e) offers or proposals do not determine outcomes until they are accepted by all parties.

The round table as a conflict-solving procedure is essentially also a negotiating situation. The round table is a bargaining forum chaired by a mediator. An example of this is the round table set up in Bremen in order to find a waste disposal site (Wiedemann, Karger, Claus & Gremler, 1994).

Negotiations take place at the round table when the negotiating situation is perceived as a superior alternative to other possibilities. Very different factors may play a role here.

Firstly, the idealistic appeal of negotiated solutions, as emphasized again and again by social, political and administrative scientists (Jänicke, 1993), is relatively strong. Precisely in view of the widespread discussion in Germany about the State's lack of ability to act and especially in the environmental field where solutions are urgently required, negotiated solutions become more attractive.

Furthermore, tactical considerations play also an important role. It becomes clear that although the conflicting parties have different threat potentials, these are sufficient for either side to block solutions. It thus becomes apparent that no party alone is capable of completely achieving their aims.

The time factor and thus the previous duration of the dispute is often relevant. After wasted efforts and manouvres often lasting years, e.g. to find a waste disposal site, the authorities regard the round table as an opportunity to achieve consent for the main features of their project by means of a negotiated solution.

For public interest groups and environmental organizations, other considerations come into play. Here, emphasis may be placed on the strategic assessment of participation in the round table and thus the chance of advancing their environmental or social interests.

Whether an agreement is reached at the round table or not depends on a number of conditions:

- \* previous experience,
- \* subject and context of the conflict,
- \* negotiating process.

The scope of bargaining is certainly influenced by the parties' previous experience. Experience with each other, and also experience with similar negotiating situations, has a decisive influence on the starting situation of the negotiations. The parties' previous disputes, conflicts and susceptibilities enter into the bargaining process. In particular interpersonal conflicts, attributable to mutual mistrust and reservations, are strongly influenced by the parties' previous mutual experience.

Whether negotiations are successful or not also depends on the degree of seriousness of the conflict itself. At first sight, the subject of the conflict alone seems to be decisive. Negotiations about experimental genetic engineering facilities and laboratories, or about releases or even production of transgenic cultivated plants, pharmaceuticals etc. between the ecological and industrial sides would not be conceivable at present. Similar considerations apply to nuclear engineering.

But the conflict subject is also always seen against the background of existing or possible alternative solutions. Negotiations seem to be taken up more readily if all participating parties - despite their conflicting interests - agree on one point: that the status quo is the worst alternative. The pressure of the problem is too great not to do anything. This refusal to accept the zero option is most likely in the case of contaminated land problems, as for example with the mediation in Münchehagen (Striegnitz, 1990).

It applies less to the extension or construction of a technical facility, as for example a waste disposal site or waste incinerator, an airport or part of a motorway. Here there will always be parties for whom the best variant is the status quo (in which nothing has been constructed yet).

Moreover, the seriousness of the conflict is determined by the degree of compatibility of mutual interests. This structures the negotiating situation. The nature of the conflict may such that any result will lead to a gain for one party and a loss for the other negotiating party; or at the other extreme, the interests of the negotiators may be completely compatible. However the most common form of negotiations are integrative negotiations, in which the interests of the partners are neither completely compatible nor completely incompatible. Gains by one party do not necessarily mean sacrifices for the other party to the same extent (Thompson, 1990). However, the assessment of a negotiating situation as a zero-sum game or as an integratively soluble situation depends on the negotiating parties' subjective estimation.

These differences in the assessment of the matter at issue go far beyond a debate of technical questions and may be decisive for the course of negotiations at the round table.

Another important factor influencing the result of a round table is the negotiating process itself. The previous history of the negotiations or the nature of the conflict "per se" are relevant factors. Decisive for the success of the negotiations is, however, the impact of these factors on the course of negotiations, how they are dealt with and overcome. The interaction and the communication process between the participants, their assessments and judgements play an important role in the handling of these factors.

## **2. Negotiating as a Decision-Making Process**

From a psychological perspective negotiating is a collective decision-making process in which representatives of several interest groups with conflicting interests participate. The behaviour of each party depends on the assessments and decisions made based on judgements about the negotiating situation (Bazerman & Carroll, 1987).

On the one hand, normative models describe optimum negotiating behaviour. They are based on the assumption of the rationality of human decision-making behaviour (Raiffa, 1982). These models - developed by economists and game theorists - assume that (a) in all cases agreement is reached, if there is at least partial correspondence between the goals of the different parties; and (b) the negotiating parties maximize their benefit, and the agreement achieved is Pareto optimal<sup>1</sup>. However, real negotiating behaviour shows that the axioms of the normative models are often violated. Negotiating parties often fail to reach an agreement or even a solution by any

means despite a positive zone of agreement (Pruitt & Rubin, 1986). Context and individual characteristics, such as motivation and cognitive style, influence the judgements and behaviour of the negotiating parties and finally the negotiated result (Brehmer, 1976).

On the other hand, heuristic rules and procedures as an aid for optimum behaviour are described in the literature. Examples of such rules of thumb for good negotiations are shown in Table 1 (Fisher & Ury, 1981):

<b>Rules</b>	<b>Description</b>
Separate the people from the problem	Be soft on the people, hard on the problem.
Focus on interests, not positions	Make up your mind about your own interests and goals and those of the others. Avoid having a fixed bottom line. Look ahead, do not look back.
Generate a variety of possibilities before deciding what to do.	Do not assess or judge too hastily. Extend the room for manoeuvre.

Tab. 1: Rules of thumb for good negotiations.

These rules of thumb take into account the fact that negotiating is a social process. However, such procedural rules are only useful if they can be put into practice. Applying negotiating strategies presumes that the pitfalls and stumbling blocks, which make it so difficult to really apply such rules are recognized, and can be accommodated in one's own behaviour.

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<sup>1</sup> A decision is Pareto optimal if a further improvement in one dimension would involve a deterioration in a different dimension.

Such pitfalls can be recognized in particular with the aid of cognitive social psychology and research on judgemental and decision-making behaviour. This research describes a number of phenomena which influence perception and assessment of the social environment and thus interaction with it. Many of these research results are also relevant to negotiations (Bazerman, 1983, 1986; Bazerman & Neale, 1983; Thompson & Hastie, 1990a). Some of them have already been examined in the context of negotiating situations (Bazerman et al., 1985; Neale & Bazerman, 1985; Stolte, 1978; Turnbull et al., 1976). It has to be taken into account that these results are based on experiments under restricted, often artificial laboratory situations, which do not correspond to real negotiating situations as in the Neuss or Bremen cases (Claus & Wiedemann, 1994). That is why against the background of our experience with negotiations, those pitfalls have been identified which seem relevant to us.

### **3. Pitfalls in Negotiations**

Judgements and assessments relate to all elements of the negotiation process. In all cases there are pitfalls that can lead to false conclusions and decisions (Thompson & Hastie, 1990b):

- \* Judgements of one's own party (values, preferences, competence, negotiating strategy);
- \* Judgements of the other party (personality, character and beliefs, negotiating strategy, preferences);
- \* Judgements of the subject under negotiation and the associated interests of the parties involved (zero-sum game, win-win option);
- \* Judgements of the offers and counteroffers (readiness to concession-making, rationality, fairness);
- \* Judgements of the negotiated result (significance, responsibility).

All these judgemental processes involve uncertainties. Errors and errors of judgement are also important here. The various processes and their significance for real mediation projects will each be discussed in the following sections. Finally some guidelines are given how the mediator should deal with such pitfalls in negotiation situations.

### 3.1 Pitfalls in Evaluating One's Own Party

Good negotiating presumes that one's own interests, aims, competences and readiness to compromise are appropriately evaluated, and that one's own hypotheses about the negotiating situations are continuously reviewed. If this does not happen, it may lead to a lack of flexibility by the parties involved, who may therefore fail to make concessions even though these are possible and appropriate for the situation. The most important traps in evaluating one's own party are (a) overconfidence, (b) interest-guided perceptions and (c) illusions of control (see Tab. 2).

<b>The own party</b>		
<b>Pitfall</b>	<b>Description</b>	<b>Significance for negotiation</b>
<i>Unrealistic optimism</i> (Weinstein, 1980)	One's own chances are estimated more positively than those of the others.	Little readiness for concessions
<i>Overconfidence</i> (Fischhoff, Slovic & Lichtenstein, 1977)  (Oskamp, 1965)	Confidence in one's own judgements about uncertain events is too great  The accuracy of one's own judgement is greatly overestimated if a large amount of information is available, even if it is redundant.	Overestimation of the probability that the expected outcome will occur.  Overestimating the available data for the matter at issue.

<i>Illusion of validity</i> (Kahnemann & Tversky, 1973; Einhorn & Hogarth, 1978)	If the available information supports one's own hypothesis, confidence in one's own judgements is greatest.	Overestimation of positive intermediate results in the negotiating process.
<i>Illusion of control</i> (Strickland, Lewicki & Katz, 1966; Langer, 1974)	Tendency to attribute even random results to one's own abilities.	Overestimating one's own negotiating power.
<i>Wishful thinking</i> (Irwin, 1953; Morlock, 1967)	The probability that a desired event will actually occur is overestimated.	Little readiness to compromise.

(continued)

<i>Point-of-view schema</i> (Levine & Murphy, 1943; Jones & Nisbett, 1972)	Information which confirms one's own point of view, attitudes or self-image is selectively perceived and better remembered.	Overestimation of the "suitability" of one's own point of view.
<i>Confirmation bias</i> (Wason, 1960)	Tendency to actively seek information which confirms one's own assumptions and hypotheses, and to ignore falsifying information.	Disregarding information that would make it necessary to reconsider one's own point of view.
<i>Position power influence</i> (Stolte, 1978)	Estimation of one's own negotiating power and competence on the basis of participation in the negotiating process.	Overestimation of one's negotiating power.

Tab. 2: Pitfalls in evaluating one's own party

Overconfidence in the accuracy of one's own judgement is one of the most serious pitfalls. Such overconfidence apply to the evaluation of the outcome of the negotiations. People are often too sure that the negotiated result will correspond to their own expectations. Overconfidence is particularly apparent if intermediate results conform to these expectations since this appears to confirm, and hence reinforces, one's own position as well as reinforcing the tendency to retain previous strategies.

This effect is particularly critical because information strengthening one's own hypotheses, attitudes or self-image is selectively perceived and its significance for the assessment of the situation overestimated. Even if there are no indications of the suitability of one's own point of view, people tend to actively look for confirmatory information. Here, the mediator may also run the risk of being used as a touchstone by the negotiating parties in their search for confirmation.

It also often happens that people overestimate their own negotiating power. People tend to attribute results to their own competence, regardless whether luck or chance is actually involved. This originates from people's genuine need to influence things, but its effect is to increase the participant's readiness to take risks. At a round table this could mean that people refuse to accept an integrative solution. The unrealistic idea of being able to control and direct negotiations can induce the negotiating parties to accept the danger of breaking up the round table or causing a deadlock.

Overconfidence can lead to (a) a possible agreement not being reached because people cling to their own point of view, and (b) people assuming that the mediator will share their point of view and bring about an outcome corresponding to their own interests. Especially in the case of serious value conflicts, or negotiating parties linked with interested groups this distortion of one's own judgement can lead to positional bargaining and "trench warfare". At a round table, this situation would mean that no one was willing to take the first step towards a compromise. Convinced of achieving success, people expect that concessions have to come from the other side. If representatives of interest groups, for example, public pressure groups and facility operators, are facing each other there is a great danger that they will negotiate about positions instead of preferences. Together with unrealistic confidence in the success of their own position, compromises between the two positions are not achieved, accepted nor even striven for. Here the mediator is forced into a certain role. He is perceived as being in the service of one's own position, which makes his task as a mediator more difficult (Farber, 1981).

Overconfidence can also affect one's estimation of the other party, their values and goals. If people are too confident that they know the other party then they are no longer willing to continually form a new picture of them. The consequence can be stereotyped relations. Changes in the positions, interests and goals of the negotiating parties are not adequately perceived and one's own negotiation strategy is not adapted appropriately.

### **3.2 Pitfalls in Evaluating the Other Party**

One of the most important features of effective and successful negotiation is the ability to take on the perspectives of the negotiating partner, i.e. to imagine the interests, constraints and goals of one's opponent. Especially for the round table, where interest groups representatives may also cooperate in other situations and thus depend on sustained good relations, the principle that negotiations must improve the mutual relations of the negotiating parties or at least not destroy them is crucial (Fisher & Ury, 1981). This assumes that the negotiating partner is not regarded as a friend or enemy, but as a problem solver, with whom an agreement which builds confidence must be reached.

Difficulties and problems can occur at the round table if the negotiating parties already have or develop an inadequate picture of each other and refuse to change it. The most important errors of judgement and prejudices which preclude flexible and open relations between the negotiating parties are (a) stereotyping, (b) the influence of one's own attitude on judgements of other people, (c) misdirected attribution of the causes of behaviour and (d) overassessment of negative impressions (see Table 3).

<b>The Other Party</b>		
<b>Pitfall</b>	<b>Description</b>	<b>Significance for negotiation</b>
<i>Person schema</i> (Rosch, 1978; Hastie, 1981)	Hypotheses about an individual's characteristics, goals or preferences are derived from one's assessment of their personality type.	False assessment of interests, goals and intentions.
<i>Halo effect</i> (Nisbett & Wilson, 1977)	The way people are judged as a whole affects the way each of their characteristics is assessed.	Too positive or too negative assessment of individual characteristics and behaviour.
<i>Assimilation effect</i> (Hovland, Harvey & Sherif, 1957)	Statements or persons are judged with respect to one's own attitude. The fewer differences are perceived from one's own attitude, the greater is the tendency to regard them as having one's own position.  If people make statements judged to be credible, then the assimilation effect is enlarged.	Lack of differentiation between the various attitudes, interests and goals of the negotiating partner, if he is regarded as an ally.  Tendency to perceive the mediator of a negotiation as an ally if he is perceived to be credible.
<i>Contrast effect</i> (Hovland, Harvey & Sherif, 1957)	The bigger the perceived difference to one's own attitude, the stronger the tendency to perceive the other's attitude as actually opposite to one's own.	Friend-foe stereotyping.
<i>Selective attention</i> (Bruner, Coodnow & Austin, 1956)  <i>Consistency effect</i> (Anderson & Jacobson, 1965)	Expectations about what is going to be perceived influence what is actually perceived.  Characteristics of the other party which do not fit into the picture are underestimated or ignored.	Previous experience with negotiating partners makes flexible relations more difficult.

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<i>Fundamental attribution error</i> (Kelly, 1967, 1972 a, b; Ross, 1977)	The causes of another person's actions are seen as lying in his personality; situational influences are under-estimated.	Underestimating the flexibility of the other person and the influence ability of his viewpoint.
<i>False consensus effect</i> (Ross, Greene & House, 1977)	If the decision and judgemental behaviour of the other person is similar to one's own, it is perceived as appropriate and attributed to a greater extent to external situational influences. If the other person's behaviour differs from one's own, it is regarded as differing from the norm and considered to be an expression of a stable personality trait.	Seeing things in black-and-white terms. False assessment of and disregard for the causes of the other person's behaviour.
<i>Negativity bias</i> (Kanouse & Hanson, 1972)	Negative information determines one's overall judgement of another person more strongly than positive information.	Disproportionate attention to any negative impressions of the interests, goals and intentions of the other person.
<i>Primacy effect</i> (Glanzer & Cunitz, 1966); (Asch, 1946)	The first impression or the first statement are remembered best.	Disproportionate attention to one's first impression of the other person and his initial negotiating strategies.

Tab. 3: Pitfalls in evaluating the other party

During the negotiation process at the round table, every participant forms his own conception of the personality, values, goals and interests of the parties. Recourse is made to previous experience and existing knowledge structures, which can help to classify and structure concrete situations and thus reduce complexity. One of these very helpful mechanisms for assessing other persons is thinking in stereotypes (Schank & Abelson, 1977). Such knowledge about types of people makes it easier to understand even imprecise information about others and already to derive hypotheses about personality details, characteristics or preferences from the first impression. However, it can also lead to a false assessment of the other person and often the first

impression is given undue importance. On the other hand, if the parties at the round table already know each other, it is very difficult to make flexible such assumptions about the intended strategies and interests of the other participant, because it is assumed that the others always behave in the same way as previously observed. The consistency effect additionally contributes to maintaining stereotypes. Characteristics which do not fit into the expected picture are disregarded and ignored. The danger of a stereotyped assessment is mutual misunderstanding. Taking into account the other's interests is, however, indispensable for agreement.

Similarly problematic is the tendency to judge people's individual characteristics in the same way as one judges them overall. This again contributes to a lack of differentiation in the picture of the other person - in a positive and negative sense. Because this effect especially occurs in assessing characteristics of great moral significance, it is particularly serious where disagreements are to be expected, e.g. in conflicts about values or convictions.

Judgements which are biased by one's own attitude can only be recognized with difficulty by introspection, and may be particularly harmful for the round table. Judging always means comparing. One's own attitude is the anchor from which expressions connected with the attitude, object, or persons and their positions are judged. The degree of perceived difference between one's own attitude and that of the other party determines whether judgements shift in the direction of one's own anchor or away from it. The assimilation effect causes an "increase in similarity". The fewer differences from one's own attitude are perceived, the greater is the tendency to minimize differences. On the other hand, the contrast effect causes a polarization. The greater the perceived differences, the more strongly they are seen as being opposites. This tendency towards the "friend-foe" stereotype can lead to an existing disagreement being overemphasized and possibilities for consent being overlooked at the round table. On the other hand, parties are sometimes regarded as allies who upon closer inspection aim at different goals. Both types of error can lead to misunderstandings and consequently to positional bargaining and "fortress-building".

The mediator is in a particularly difficult position here because assimilation and contrast effects occur not only in the assessment of persons and their attitudes, but also in the assessment of statements and remarks. These effects, however, depend on who makes the remarks, and in particular their credibility. For the role of the mediator it is very important to be regarded as credible, without, however, at the same time being seen as an ally and vice versa.

The assessment of a person includes not only the estimation of his attitudes, values and characteristics, but also the assessment of his behaviour. One's own behaviour also functions as a yardstick here. Deviations from one's own normal behaviour are regarded as deviating from the norm and thus inappropriate. If parties at the round table are disparaged because of their behaviour or their attitudes, this is detrimental for the entire climate of the common effort; mutual tolerance, fairness and the acceptance of other views, values and opinions are prerequisites for the round table. This also involves assessing appropriately those characteristics and attitudes of the other party which one regards as negative. Not doing this can lead to the discrepancies, conflicts of values and interests between the negotiators gaining the upper hand in assessing the other parties, so that common features and the extent of possible agreements are underestimated.

Incorrect hypotheses about the reasons for the other party's behaviour can also have serious effects. Placing oneself in someone else's shoes also means perceiving the situational influences which provoke a certain behaviour. A "firm" negotiation strategy is not necessarily the result of an inflexible character that would have to be taken into account in all situations. If one assumes a stable personality trait, then the possibilities of influencing the other party's point of view are underestimated or constraints on the negotiator overlooked. Only an appreciation of situational factors leads to a fair dialogue, which then promises efficient solutions.

### 3.3 Pitfalls in Evaluating the Subject of Negotiations

Successful negotiating means that an agreement has to be reached which takes the legitimate interests of every party into account as far as possible. This means that integrative solutions have to be found based on common considerations, not on simple compromises, and thus attempt to achieve a gain for all participants.

Investigations into negotiating behaviour have shown that the parties enter negotiations assuming that (a) the negotiating parties have basically incompatible interests and/or (b) are each after the same thing. It is thus quite possible that compatible interests and goals are not discovered. This can be the case even if only one item is being negotiated. In more complex negotiations, such as take place at a round table, in general several alternatives are available. The "mythical fixed pie assumption" under which the parties each assume that every other party is after the same "thing" as them to the same extent, is very important here. They define the negotiating situation as a competition with winners and losers. The negotiations are then just a matter of distribution (see Tab. 4).

<b>Negotiation Subjects</b>		
<b>Pitfall</b>	<b>Description</b>	<b>Significance for negotiation</b>
<i>Incompatibility error</i> (Bazerman & Carroll, 1987)	Assumption that the negotiating partner has basically different preferences than one's own.	Difficulty of discovering agreement.
<i>Mythical fixed pie assumption</i> (Bazerman & Carroll, 1987)	Assumption that everyone is after the same "thing".	Adoption of a win-win strategy.

Tab. 4: Pitfalls in evaluating negotiation subjects

If, for example, the subject of negotiation is the construction of a waste incinerator, according to the assumption of the zero-sum game the operators and environmental protection organizations could find themselves in an "either-or" deadlock. One possible result, given this strategy, would be to reduce the capacity of the facility planned by the operators and to cope with the remaining waste by avoidance or composting. The "loser" will be the side which has given up the most of its previous interests.

However, integrative negotiations enlarge the scope of bargaining. As a result it becomes quite conceivable that agreements will be reached at the round table which involve very different problem areas to those with which the negotiations were originally concerned. It is, for example, possible not to consider a particular project in isolation, but to negotiate an overall concept for the community, in which, depending on the relative preferences the parties have for the different alternatives, concessions are possible. Furthermore, agreement can be reached about measures, going beyond the legal demands. Interest groups, for example, may be concerned about obtaining access to public documents which otherwise is often not given in order to protect trade secrets, or they may wish to have confirmation that the limit values of the planned facilities are clearly below permitted values. It is conceivable that these points are not of major priority for the operators and thus they are ready to make concessions.

If the scope of bargaining is opened up, packages can be arranged which would not result with a winner-loser strategy (Gaßner et al., 1992). There is room for offers and counter-offers, which opens up the opportunity of negotiating mutually satisfying results.

### **3.4 Pitfalls in Evaluating the Course of Negotiations**

The evaluation of the subject to be negotiated determines the scope for offers. The way in which these offers are then assessed has a decisive influence on the course of negotiations. The most important pitfalls in the evaluation of offers are (a) the

influence of the first offer on the scope of bargaining, (b) relations with and assessment of losses and gains, and (c) the danger of positional negotiation to save face (Tab. 5).

<b>Course of negotiations, offers / counter-offers</b>		
<b>Pitfall</b>	<b>Description</b>	<b>Significance for negotiation</b>
<i>Illusory correlation</i> (Chapman, 1967; Golding & Rorer, 1972)	Tendency to create a connection between things, although there is none.	A negotiating strategy (eg. "unfair") is concluded from a characteristic (eg. "dominant")
<i>Cognitive economy</i> (Allport, 1954)	Choice of a strategy because it has already proven itself successful.	Not enough attention is paid to situational requirements.
<i>Anchoring and adjustment</i> (Tversky & Kahneman, 1982)	Anchors are used as a starting point for evaluations and assessments.	The scope of bargaining is determined by placed or assumed anchors.
<i>Framing effect</i> (Kahneman & Tversky, 1979)	When people can choose between a certain and an uncertain alternative, they usually choose the certain alternative, if gains are concerned. They choose the uncertain alternative, if losses are concerned.	If the situation is perceived as a "win" situation, the readiness for compromise increases and vice versa.
<i>Orientation to decreased costs</i> (Bazerman, 1983)	Previous costs instead of future profits are used as a basis for decisions.	Compromises which are rational according to the state of negotiations are rejected.
<i>Cognitive dissonance</i> (Festinger, 1957)	Revising previous positions is not compatible with one's own self-image. Incompatibilities with one's own self-image are ignored or reinterpreted.	The margin of readiness for compromise depends on the extent to which one wishes to save face.

Tab. 5: Pitfalls in evaluating the course of negotiations.

The scope of bargaining is of special importance for the success of negotiations. A universally satisfying solution can only be found at the round table if a win-win strategy is negotiated. However, this assumes that the margin for offers and counter-offers remains as large as possible. If points of view about the frame of one's own readiness for compromise are introduced, the tendency will be for these viewpoints to function as an anchor during the whole course of negotiations. Such anchors are especially problematic in the starting phase of the round table because they can reduce the possibilities for mutual understanding. Especially where different values exist and the danger of positional negotiation is great, the preliminary negotiation must keep the margin as wide open as possible. A special difficulty is that on the basis of the previous experience which participants at the round table often have with each other, the size of the scope of bargaining is often anticipated. Points of view and offers are assumed and one's own scope is adjusted accordingly.

The willingness to make compromises is also decisive for the round table not ending in a deadlock where no agreement is possible. Whether people are willing to accept a proposal from the other party, however, does not only depend on the situation. If an offer has been made, there are two alternatives: accept the certain alternative, i.e. what has already been achieved, or decide on the uncertain alternative, i.e. negotiate further, with the risk that the negotiations may fail or that an even worse result than the previous one is achieved. In this situation the assessment of the previously negotiated results is of considerable significance, and the decision depends on whether what has been achieved can be regarded as a loss or a gain. If the offer is assessed positively as a gain, people tend to accept the proposal. If the compromise offered is assessed negatively, as a loss, people are more inclined to take a risk, and they gamble with negotiations for an uncertain, but possibly better result. This assessment effect occurs independently of the content of the proposal, on which agreement is to be found. The same starting situation can lead to a different decision, depending on whether the offer is put into a positive or negative "frame".

This effect is especially compelling if the participants negotiate positionally. A bottom line is indicated together with the announcement of a particular position. In order to save face, people are forced to assess every offer below their aim as a loss. Reaching an agreement is then particularly difficult.

If the negotiating parties direct their attention to the previous course of negotiations in deciding whether to accept an offer, this can have just as serious an effect. Every decision to accept a compromise presumes a cost-benefit consideration. If the parties include previous efforts in their estimate, e.g. time, efforts and costs already invested, this can cause them to cling to their own objectives. A possible agreement is rejected even though it is rational to make concessions with respect to future costs and benefits. For environmental protection organizations and public interest groups the danger lies in no longer accepting results which do not correspond to their demands. Especially because these groups as a rule have high expectations of their participation in the round table (Führ, 1990), a "situation" is created from the start which restricts their readiness to make compromises. Of course, this restriction is also of significance for all the other parties.

The tendency to save face affects the course of negotiations; and it influences the area within which one is willing to make compromises. Making concessions to others subjectively also means moderating one's own interests and goals. So people tend to adhere to their previous point of view and avoiding questioning their own position or admitting previous false decisions. The consequence may be an escalation of the conflict and even failure of the negotiations. The more people are bound to a previously adopted position and have committed themselves to it by public declarations or an extreme starting position, which leaves little room for concessions, the sooner conflicts tend to escalate. The tendency to defend one's own position increases. So it is very important for the round table continually pick up any tendencies towards tying oneself to particular positions, in order to indicate alternatives and to support flexibility.

### 3.5 Pitfalls in Evaluating the Negotiated Result

The assessment of the way the result is achieved and of the identification of the participants with the outcome of the negotiation is important because (a) the representatives of the various interests at the round table have to represent the agreement or the failure to reach one, both externally -to the public - and internally - to their own party; and (b) learning is only achieved if the course of negotiations is adequately evaluated. The pitfalls of (a) overestimating one's own role (b) especially overestimation of one's contribution to the success of negotiations and (c) the "reconstruction error", can all be obstructive in this case (see Tab. 6).

<b>The Negotiated Result</b>		
<b>Pitfall</b>	<b>Description</b>	<b>Significance for Negotiation</b>
<i>Logical fallacies in recall</i> (Bartlett, 1932; Spiro, 1980)	The inability to remember details of events leads to a "logical" reconstruction, which can be imprecise.	Inconsistencies, breaks and ambiguities in the course of negotiations are put into a consistent picture in retrospect.
<i>Self-serving biases</i> (Nicholls, 1975; Snyder, Stephan, Rosenfield, 1978; Zuckerman, 1979)	Preservation of one's self-image by the tendency to ascribe successes to one's own abilities and failures to external factors	The responsibility for the failure of negotiations is denied.
<i>Egocentric biases</i> (Ross & Sicoly, 1979)	Tendency to overestimate one's own part in a mutually achieved result.	Exaggerated representation of a winner position.
<i>Hindsight biases</i> (Fischhoff, 1975, 1982)	The probability of the achieved result is overestimated in retrospect and the information connected with the result is weighted more strongly afterwards.	In retrospect one is not surprised about an event which has occurred. Plausible explanations are found for it.

Tab. 6: Pitfalls in evaluating the negotiated result.

If negotiations fail at the round table, the parties involved are responsible for making the reasons public. If agreements are reached, the assessment of these results is decisive for whether the negotiators can represent themselves as winner or loser. Because there is a tendency to attribute successes to one's own efforts and abilities, but to shrug off responsibility in the case of a failure, each party will try to claim successes and to force others into the role of "scapegoat". The tendency to claim responsibility for successes is often reinforced by overestimating one's own contribution to a result achieved by cooperation. In the case of a negative result for one's own party, it is easy to ascribe the failure to the other party's unwillingness to compromise not least because in retrospect, those phases of the negotiating process which supported one's own representation are remembered better. Situations which did not conform to this view of the other party's contribution are ignored or regarded as meaningless.

The tendency in retrospect to turn inconsistencies and discontinuities into a consistent picture is not only problematic for presentation of the result to the outside, but also of little help in clarifying the course of negotiations so as to learn from them. It is therefore especially necessary to bear one's own decisions clearly in mind, even if they have proved, in the course of negotiations and with respect to the final result, to be erroneous assessments. In retrospect, people are often not surprised about the outcome. Plausible explanations are easily found. However, this precludes examination of one's own contributions, reflection on how the outcome was achieved and the use of these deliberations as a basis for further relations with the other parties. Although the round table is a temporary communication forum, as a rule the exchange between the parties continues afterwards. Further relations may be strained by different understandings of how the result was achieved. An inadequate representation to the outside world can stir up new conflict, as can the lack of an explanation for one's own behaviour in the negotiating process. If one's own strategy is not considered and attempts are not made to avoid one's own erroneous assessments, a conflict is a foregone conclusion.

#### **4. Demands of the Mediator in Dealing with "Prejudices" and Misjudgements**

The examples show how important it is to be clear about one's own biases e.g. in assessing oneself and the other person, so that one can observe the rules of good negotiations, for example to separate persons and facts, to conduct a fair dialogue, and to concentrate on interests and not on positions.

The mediator of the round table has the task here not only of functioning as a moderator, but also of creating an open and fair climate, which will make such a dialogue possible. Therefore he must recognize such pitfalls in good time and deal with them. A great deal, however, can be done to prevent the appearance of such traps. Some of the most important organizational possibilities are as follows (see also Wiedemann, 1994):

- \* encourage informal gatherings between members of the round table,
- \* create a broad communication and information network,
- \* have room for development of the process and procedures by the participants.

Boundary conditions of this kind help to create mutual trust; they make it possible to get to know each other better in a sheltered atmosphere and to break down prejudices. Especially informal contacts not only enable one to understand better the negotiating partner as a person with all his values, convictions and his personality, but also to explore and try to understand his responsibilities towards his constituents, constraints upon him, and the scope of bargaining available to him. Moreover, informal gatherings encourage a climate in which it is easier to move away from positions and to admit errors of judgement without being afraid of losing face.

If biases in judgement are at work in the dialogue of the parties at the round table, it is the task of the mediator to clarify them. The mediator should pay attention to the points contained in Table 7.

Aim	Means
Clarify and prevent errors of judgement by one's own party.	<p>Work out hypotheses.</p> <p>Clarify goals.</p> <p>Make clear that success of negotiations requires acknowledging mutual interdependence.</p> <p>Do not overestimate the significance of intermediate results.</p>
Clarify and prevent errors of judgement by the other party.	<p>Encourage an exchange of perspectives between the parties.</p> <p>Create opportunities for listening.</p> <p>Do not point out only disagreements, but also consensus.</p> <p>Remind those stirring up disagreement to remain objective and point out the danger for the round table.</p> <p>Turn positions and points of view into arguments and justifications.</p> <p>Encourage mutual questioning.</p> <p>Indicate when the participants are making personal criticisms and attacks, and clarify them.</p> <p>Draw attention to any barriers erected by participants.</p>
Clarify and prevent misjudgement of the subject under negotiation.	<p>Make clear preferences instead of positions.</p> <p>Identify the different benefits of the subject under negotiation.</p> <p>Point out potential mutual gains of agreement.</p> <p>Indicate scope of bargaining.</p>

(continued)

<p>Clarify and prevent misjudgements of the course of negotiations.</p>	<p>Take the edge off initial remarks on points of view and about readiness for compromise.</p> <p>Make clear the risks involved in breaking off negotiations.</p> <p>Make more flexible the reference point from which something is seen as a gain or a loss.</p> <p>Indicate the gains involved in a proposal for compromise, and the risks connected with further negotiations.</p> <p>Help to develop forward-looking perspectives and let bygones be bygones.</p> <p>Give remarks a provisional character.</p>
<p>Clarify and prevent misjudgements of the negotiated result.</p>	<p>Make sure that participants consider how intermediate results were achieved.</p> <p>Already stress the responsibility of all participants for success and failure in the course of negotiations.</p> <p>Provide feedback at all phases of the negotiations.</p>

Tab. 7: Guidelines for the mediator.

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