

SEEING AND BELIEVING: VISUAL ACCESS AND THE STRATEGIC USE OF DECEPTION

Maurice E. Schweitzer

University of Pennsylvania

Susan E. Brodt

Duke University

Rachel T. A. Croson

University of Pennsylvania

While prior work has focused on the importance of visual access and visual cues to targets of deception, this article highlights its importance to deceivers. We introduce a new approach for conceptualizing deception and distinguish between two types of lies according to the relative value to the deceiver of being able to monitor the target's reaction to the lie; deceivers telling monitoring-dependent lies benefit significantly more from being able to monitor their target than do deceivers telling monitoring-independent lies. We examine this distinction and its implications for the strategic use of deception, by manipulating visual access in a negotiation experiment with teleconference and videoconference media. We find consistent differences between deceivers use of and consequences of these two types of lies as a function of visual access. First, the use of monitoring-dependent lies was significantly greater with visual access than without it, while the use of monitoring-independent lies was unaffected by visual access. Second, consistent with our conceptualization, participants who lied were trusted less by their counterpart than were participants who did not lie, except when participants with visual access told monitoring-dependent lies. In these cases deceivers were actually trusted more by their counterpart than participants who did not lie. These results support our conceptualization and suggest that visual access may actually harm potential targets of deception—by increasing their risk of being deceived and inappropriately increasing their interpersonal trust.

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The exchange of information is an essential component of the negotiation process. While negotiators can enhance mutual gains by sharing information (Brodt & Dietz, 1999; DeDreu, Giebels, & Van de Vliet, 1998; Pruitt & Rubin, 1986), they can often gain leverage and profit by concealing and distorting information (Bazerman, Curhan, Moore, & Valley, 2000; Chertkoff & Baird, 1971; O'Connor & Carnevale, 1997; Schweitzer, 2001). Most targets of deception are poor lie detectors (Ekman & O'Sullivan, 1991), and as a result deception, at least in the short run, often succeeds.

In this article we examine the deception decision process in a negotiation setting and focus on the relationship between a deceiver's ability to monitor their target's reaction to a lie and their decision to lie. We develop a new approach to characterizing deception, one that highlights the importance of monitoring during the deception episode. Our distinction has important implications for social interactions that are mediated by technology (e.g., internet, telephone, videoconference, fax), which afford different levels of access to visual and social cues (Valley & Croson, in press).

Our approach differs from prior characterizations of deception, which have generally distinguished between lies according to the *type of information* misrepresented (Anton, 1990; Lewicki, 1983). In addition, our work extends research that has investigated the importance of visual cues to *targets* of deception (DePaulo & DePaulo, 1989; Ekman & O'Sullivan, 1991), by considering the importance of visual access to *deceivers*.

Characterizations of Deception

Most deception research has characterized deceptive practices according to the type of information misrepresented (Anton, 1990, DePaulo, Kashy, Kirkendol, Wyer, & Epstein, 1996; Fortune & Brodt, 2000; Lewicki, 1983; O'Connor & Carnevale, 1997). Lewicki (1983), for example, identified different types of information that negotiators can misrepresent: *positions*, such as lying about a reservation price; *intentions to commit an action* ("bluffing"), such as making false threats or promises; *arguments* ("deception"), such as developing a misleading argument designed to make the other party draw the wrong conclusion, and; *factual information*, providing either inaccurate information ("falsification") or partial truths that are misleading ("selective disclosure"). In a questionnaire study Anton (1990) tested the psychological validity of these categories and found that bluffing, deception, falsification, and misrepresentation of positions were significantly different types of lies. Moreover, falsification lies were judged to be worse (i.e., more severe) than deception, deception worse than bluffing, and bluffing worse than misrepresenting a position. In more recent work, Barry (1999) identified misrepresenting emotions as an additional type of deception.

In a similar vein, lies have been classified according to the extent to which the truth is distorted. DePaulo et al. (1996) identified three types of lies: outright lies, exaggerations, and subtle lies. Outright lies are statements that directly contradict the truth, similar to Lewicki's (1983) falsification lies. Exaggerations are overstated claims, such as an exaggerated apology. Subtle lies are similar to Lewicki's (1983) selective disclosures and include statements that omit relevant information.

Extending Spranca, Minsk, and Baron's (1991) work on omission bias, Schweitzer and Croson (1999) contrasted lies that were stated (lies of commission) and lies that were merely implied (lies of omission). They demonstrated that in a negotiation context, direct questions significantly curtailed lies of omission but increased the incidence of lies of commission.

In this article, we present a different approach. We classify deception with respect to the risk a deceiver faces if the deception is believed. While all deceivers contend with *detection risk*, the risk that a lie will be detected and lead to a negative consequence for the deceiver such as a loss of credibility or retaliation, some lies can harm the deceiver even when they are not detected. Specifically, *capitulation risk* is the risk that a misrepresentation will cause the target to make an *unwanted* capitulation or concession. For example, consider the case of a homebuyer who requests an early closing date. If the seller also prefers an early closing date, she could misrepresent her interests by stating a preference for a late closing date, hoping to coax the buyer into paying a higher price in exchange for the early closing date that they both actually prefer. The capitulation risk in telling this lie is the risk that the buyer might mistakenly assume that the late closing date is very important for the seller and *capitulate*, agreeing to a late closing date. In telling this lie the seller might benefit from monitoring the target's reactions as she states her preference for a late closing date. By monitoring the target's reactions to her expressed preference for a late closing date, she could adjust the extent to which she exaggerates her (false) preference for a late closing date. As a result, her ability to monitor her target enables her to curtail the capitulation risk involved in telling this type of lie.

Capitulation risk poses a particular problem for negotiators using "external threats" and "bogey tactics." External threats involve threats to terminate the relationship with the hope of gaining additional concessions. In this case the deceiver risks convincing the target that the relationship cannot be salvaged, in which case the target capitulates and leaves the deceiver without a deal. For example, Graham and Sano (1984, pp. 83-86) recount a negotiation involving an American and a Japanese manager. The American manager conveniently and "accidentally" left a proposal from a competitor to the Japanese firm on his desk. The American manager excused himself from the room for a few minutes, hoping that his Japanese counterpart would beat the offer. Instead, the Japanese negotiator assumed that the American had already struck a deal with the competitor. The Japanese negotiator capitulated to the lie, and left the American with a no deal.¹ Bogey tactics also involve capitulation risk. In multi-issue negotiations a deceptive negotiator may misrepresent the importance of issues, hoping to give the appearance of making large concessions. A deceived counterpart, however, may actually capitulate and give the deceiver concessions that in reality have little value for the deceiver.

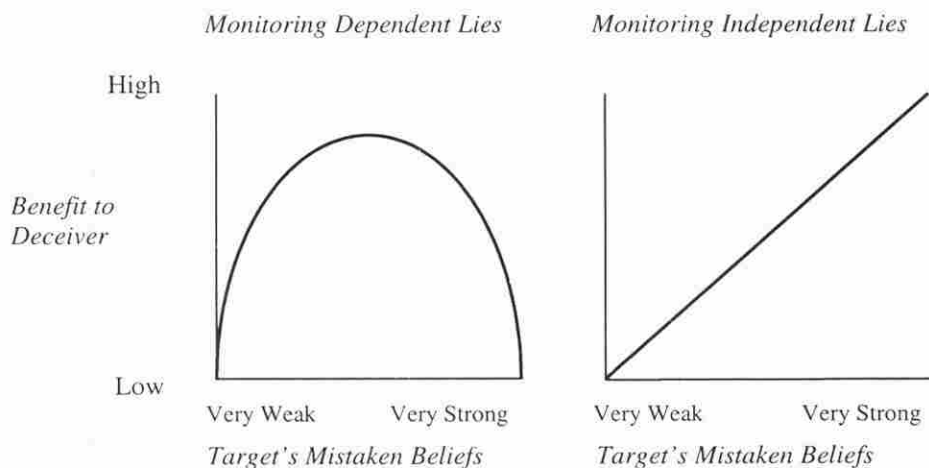
We propose a new characterization of deception linked to the capitulation risk involved in telling a lie. We define lies with capitulation risk as *monitoring-dependent* lies. In telling these lies deceivers directly benefit from their ability to monitor the target's reaction to their lie.

¹We thank an anonymous referee for bringing this example to our attention.

We define lies without capitulation risk as *monitoring-independent* lies. In telling these lies deceivers derive fewer benefits from their ability to monitor the target's reaction to their lie. For example, when selling a used car, a seller who misrepresents the condition of the car is telling a monitoring-independent lie. The better the purported quality of the car, the more attractive the car is to the potential buyer. In this case, the deceiver's misrepresentation matches the target's interests and facilitates agreement. As long as the lie is believed (i.e., holding detection risk constant), the more extreme the monitoring-independent lie one tells, the more likely the parties are to reach an agreement, often in the deceiver's favor. The effectiveness of a monitoring-independent lie is positively correlated with the magnitude of the target's mistaken beliefs. That is, the better the perceived quality of the car, the better off the deceiver is.

In contrast, monitoring-dependent lies engender capitulation risk. In telling these lies, deceivers must take care to avoid over- or under-stating the lie. The subject of these misrepresentations can vary widely, and include tactics such as external threats and bogey tactics, as well as misrepresentations about the attractiveness of alternatives, misrepresentations about interests, or misrepresentations about intentions. In telling a monitoring-dependent lie, the deceiver must closely observe the target's reaction to the lie to manage capitulation risk. Monitoring-dependent lies are most effective for the deceiver when the magnitude of the target's mistaken beliefs (the extent to which the target's beliefs are distorted) is moderate. We depict the relationship between the magnitude of the target's mistaken beliefs and the benefit to the deceiver for both monitoring-dependent and monitoring-independent lies in Figure 1.

Figure 1
Magnitude of Target's Mistaken Beliefs and Benefit to the Deceiver



Visual Access and Deception

In this article we consider the importance of visual access to potential deceivers. In particular, we consider the role of visual access in providing important feedback to deceivers (see Knapp, 1972 for a review of the importance of non-verbal cues in communication). While visual access may enable potential deceivers to assess their target's initial beliefs and reduce detection risk, visual access is likely to be particularly important for negotiators deciding whether or not to tell a monitoring-dependent lie. Deceivers telling these types of lies need to manage capitulation risk and balance the concerns of over- and under-stating their deception. One way that deceivers telling monitoring-dependent lies can do this is by observing the target's nonverbal behavior and adapting their deceptive message. By observing a target's facial expressions (e.g., nods) and other nonverbal cues (e.g., crossed arms), for example, deceivers can glean important information about the magnitude of a target's mistaken beliefs. This information enables deceivers to respond to the target and modify their use of deception. As a result, access to social cues *during* a deception episode is particularly valuable to negotiators who might tell a monitoring-dependent lie. Access to visual cues during the deception episode is relatively less important for negotiators who might tell a monitoring-independent lie.

Visual Access in Negotiation

While prior research has not looked specifically at the relationship between visual access and the use of deception in negotiations, earlier work has investigated the effects of visual access on negotiations and bargaining more generally. Most studies have found that visual access does not help negotiators reach more efficient agreements (see Valley & Croson, *in press*, for a review).

For example, Valley, Moag, and Bazerman (1998) compared face-to-face, telephone, and written media using a distributive bargaining task and found no significant differences in impasse rates between face-to-face and telephone conditions. Purdy, Nye, and Balakrishnan (2000), however, compared face to face, videoconference, telephone, and computer mediated negotiations and found that face-to-face negotiators were more likely to use collaborative tactics than telephone negotiators. They did not find differences in the profit negotiators earned across the media conditions.

Several studies have found that negotiators are less cooperative with visual access. In two separate studies that used partitions to manipulate visual access, Carnevale, Pruitt, and Seilheimer (1981) and Carnevale and Isen (1986) found that negotiators who could see each other reached less integrative agreements than did those who could not. Lewis and Fry (1977) report a similar result, but they found that the effect of visual access was moderated by negotiator orientation. When instructed to adopt a problem-solving approach, participants reached agreements that were equally efficient with and without visual access, but when instructed to earn the most for themselves, they reached less efficient agreements with visual access than without visual access.

A related literature has examined computer-mediated negotiations. These studies have failed to show robust benefits from visual access. In some cases face-to-face negotiations produced less integrative (efficient) and less equal outcomes than did computer mediated negotiations (Arunachalam & Dilla, 1995), while in other cases there were no significant differences in outcome and process measures across media (Rangaswamy & Shell, 1997; Croson, 1999; Barsness & Tenbrunsel, 1998). These studies, however, compared face-to-face negotiations with computer-mediated negotiations (e.g., electronic mail), which lacked visual and verbal access as well as synchronous communication.

In general, visual access does not help negotiators cooperate or reach more efficient agreements. One potential reason for this may be that it enables negotiators to carefully monitor their counterparts and use distributive tactics, such as deception, more often and more effectively. Our research investigates this proposition and helps us understand the role of visual access in the deception decision process and its implications for social relationships.

Hypotheses

In a simulated negotiation, we experimentally manipulated visual access and assessed the use of deception and its social implications across treatment conditions, including perceptions of trustworthiness, outcomes, and the decision to retaliate following revealed deception. Participants communicated either via telephone (without visual access) or videoconference (with visual access). Both media allow for interactive, distanced, synchronous communication, but differ with respect to access to social cues.

Visual Access and the Use of Deception

We expect visual access to influence the decision to use monitoring-independent and monitoring-dependent lies differently. When deceivers tell monitoring-dependent lies (e.g., when they employ the "bogey tactic"), they need to contend with capitulation risk, and this risk is lower with visual access than without visual access. With visual access these deceivers can access a target's nonverbal behavior (e.g., reactions to a lie) and adapt their deceptive message during the negotiation. Without visual access deceivers lack important feedback regarding the magnitude of their target's mistaken beliefs and are more likely to over- or under-state their monitoring-dependent deception. Consequently, we expect deceivers telling monitoring-dependent lies to be sensitive to the presence of visual access. For deceivers telling monitoring-independent lies, however, there is no capitulation risk—either with or without visual access. Thus, we expect deceivers telling monitoring-independent lies to be far less sensitive to the presence of visual access.

Hypothesis 1: Visual access will increase the frequency with which negotiators tell monitoring-dependent lies, but not influence the frequency with which negotiators tell monitoring-independent lies.

Trust and Deception

Both visual cues (DeGroot & Motowidlo, 1999) and deception (Fortune & Brodt, 2000) influence perceptions of trust. We extend prior research by examining the interaction of deception and visual access on trust. Specifically, although we expect negotiators who are targets of deception to trust their counterparts less than negotiators who are not targets of deception, we expect this difference to be moderated by the type of lie that is told and whether lies are told with or without visual access. DePaulo, Lanier, and Davis (1983) found that lies told by highly motivated liars were less likely to be detected than lies told by less motivated liars, and we expect motivated liars to be more attentive to their targets. Other research has found that being attentive and demonstrating concern for others engenders trust (Korsgaard, Brodt, & Whitener, 2002; Mayer, Davis, & Schoorman, 1995; Whitener, Brodt, Korsgaard, & Werner, 1998). Taken together these results suggest that deceivers who focus attention on their target are more likely to deceive their target successfully and engender (false) trust in their counterpart than deceivers who do not.

According to our conceptualization, monitoring-dependent lies require deceivers to focus attention on their target as they tell their lie. As a result, we expect negotiators who tell monitoring-dependent lies with visual access to be particularly attentive to their target's visual cues, such as facial expressions and body movements, during the deception episode. We expect this attention to provide important feedback about a target's beliefs, and enable negotiators who tell monitoring-dependent lies with visual access to maintain false trust more effectively than negotiators who tell monitoring-independent lies or who tell lies without visual access.

Hypothesis 2: Negotiators who tell monitoring-dependent lies with visual access will be trusted more than negotiators who tell monitoring-dependent lies without visual access or negotiators who tell monitoring-independent lies.

Deception and Negotiated Agreements

Deceptive tactics can enable negotiators to gain at least a short-run advantage over their counterparts (Chertkoff & Baird, 1971). This advantage may enable negotiators to claim a larger share of total profits (O'Connor & Carnevale, 1997). Hence, our third hypothesis predicts that the use of deception will harm the target's payoff and increase the deceiver's payoff.

Hypothesis 3a: Negotiators who are targets of deception will earn lower profits than negotiators who are not targets of deception.

Hypothesis 3b: Negotiators who use deception will earn higher profits than negotiators who do not use deception.

Deception and Retaliation

Following a negotiation, targets of deception often learn information that reveals prior deception (Schweitzer, 2001). In many cases revealed deception harms relationships and creates feelings of disapproval and injustice (Shapiro,

1991). In some cases it may even lead to retaliation (Shapiro & Bies, 1994). In our experiment, participants had an opportunity to misrepresent their private information during the negotiation. Following the negotiation the factual information was revealed and targets then had an opportunity to retaliate against their counterpart. We expect the decision to retaliate to be related to the extent to which a target was deceived. That is, the more targets are deceived, the more likely they will be to retaliate against their counterpart once the deception is revealed.

Hypothesis 4: The more a target is deceived, the more likely s/he will be to retaliate against her/his counterpart once the deception is revealed.

Method

We paired graduate business students (MBA) from two schools—located 406 miles apart—in a negotiation experiment. At each school participants were randomly assigned to one of two visual access conditions (telephone or videoconference) and to one of two roles in a simulated labor contract negotiation. The exercise included opportunities for monitoring-independent and monitoring-dependent lies. During post-experiment discussions, the truth about the potential monitoring-independent misrepresentation was revealed, and the potential target of the monitoring-independent lie was given an opportunity to retaliate.

Participants

Participants were 140 full-time MBA students equally divided between the University of Pennsylvania and Duke University. Most participants (69%) were male.

Experimental Design

There were two independent variables, negotiation medium (telephone, videoconference) and type of potential lie (monitoring-independent, monitoring-dependent), creating a 2 × 2 factorial design. Participants at each school were randomly assigned to one of the four experimental conditions.

Negotiation Media

Telephone and videoconference media were used to conduct 1-hour negotiations. We used similar videoconferencing technology at both sites, and a line speed of 112–128 kbps. The videoconference systems included a motorized pan/tilt/zoom camera, omni-directional microphones, on-board wideband echo cancellation, and multiple video outputs.²

Materials

The negotiation task included six issues and two roles: a city representative and a teacher's union representative. Each party's preferences were defined by a point schedule (see Appendix A) and each participant knew only the points for his or her role. Participants earned 300 points if they did not reach agreement.

²Additional information about the technology is available from the first author.

The union negotiator had an opportunity to tell a monitoring-dependent lie. Unbeknownst to the city negotiator, both parties preferred tougher teacher certification. The union negotiator knew that her city counterpart was likely to misperceive the union's preference, and hence, the union negotiator could strategically misrepresent this preference to gain concessions from the other party on another issue.

This type of misrepresentation is an example of a monitoring-dependent lie. If the target mistakenly believes that the deceiver *strongly* prefers weaker teacher certification, he might concede the issue, which would cost the deceiver profit if he accepted weaker teacher certification (capitulation risk). Alternatively, if the target believes that the deceiver only very *weakly* prefers teacher certification, he will be unwilling to make any concessions. Thus, deceivers run the risk of over- or understating this issue.

City negotiators had an opportunity to tell a monitoring-independent lie. Both parties knew that the city was about to announce its budget figure, which could range from a large surplus to a large deficit. The city negotiator's confidential information indicated that the actual budget was a 15 percent surplus. The union negotiator's willingness to make concessions depended upon this figure; the worse the city's budget the more flexible the union negotiator could be in making concessions. As a result, the city negotiator has an incentive to misrepresent the 15% surplus as a smaller surplus or as a deficit. In this case, the more mistaken the union negotiator's beliefs are about the budget, the more willing the union negotiator will be to make a desired concession and to reach an agreement. This lie involves no capitulation risk.

Procedure

Approximately two weeks before the experiment, a list of pre-arranged 1-hour time slots was made available to students at both schools. These schedules did not indicate the experimental condition (e.g., negotiation medium or type of potential lie), which was randomly assigned after students had signed up. About one week before the negotiation, each participant received role information, an agreement sheet, and a post-negotiation questionnaire to be completed immediately following the negotiation.

Participants all had one hour to negotiate. Upon completing the negotiation, they filled out an agreement sheet describing the components of their deal and a post-negotiation questionnaire, which included judgments about how much they trusted their counterpart.

At both schools participants were debriefed in groups as soon as everyone had completed the negotiation (ten days after the start of the experiment). Immediately before the debriefing, participants completed a one-page questionnaire regarding the use of deception. During the debriefing participants were told the actual budget figure and those who had negotiated on behalf of the union (and who were possibly deceived about this issue) were given an opportunity to punish or reward their city counterpart. City negotiators did not have a retaliation option.

Dependent Variables

Dependent measures included measures of deception, interpersonal trust, negotiated agreements, and the use of retaliation.

Deception. Negotiation dyads had two opportunities to use deception. City negotiators could tell a monitoring-independent lie about the budget and union negotiators could tell a monitoring-dependent lie about their preference for tougher teacher certification. After completing the post-negotiation questionnaire but before debriefing, participants were asked about these issues. Those who had played the role of union negotiator were asked to describe what they were told about the budget, selecting from a list of options or completing a free-form response. These options included truthful claims (e.g., a budget with a 15 percent surplus), lies (e.g., a budget with a deficit or a surplus less than 15 percent), and no specific claims. Those who had played the role of city negotiator were asked whether or not (yes/no) the union representative had asked for concessions in return for agreeing to tougher teacher certification requirements, the compatible issue. Finally, union negotiators were asked for their best estimate of the true state of the city budget.

Trust Perceptions. In the post-negotiation questionnaire participants completed a four-item trust scale (adapted from Butler, 1991; Greenberg, 1994; Tyler, 1987; Whitener et al., 1998). Participants rated these items on a 7-point Likert-type scale (1 = not very much to 7 = very much), which we averaged to form an overall score (union role: $\alpha = .86$; city role: $\alpha = .85$).

Negotiated Outcomes. Negotiated outcomes were measured by calculating individual scores and joint gains for the negotiation pair (i.e., the sum of each party's individual scores).

Retaliation. Participants who had played the role of union negotiator (who were likely to have been misled about the budget) had a chance to retaliate after the negotiation. They could choose one of four options, with point values noted in parenthesis: (1) hold a rally in support of the mayor (-10 for themselves, +20 for their city counterpart), (2) do nothing (0 for each), (3) endorse the opposing candidate (0 for themselves, -10 for their city counterpart), or (4) hold a rally opposing the mayor (-10 for themselves, -20 for their city counterpart). Their choice added or subtracted points from both party's agreement.

Results

Visual Access and the Use of Deception

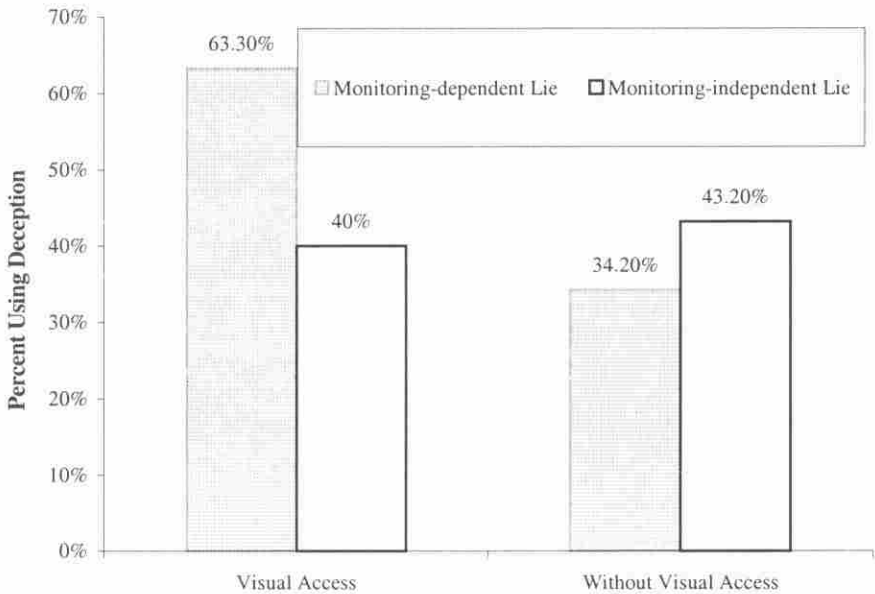
As predicted by our first hypothesis, participants were more likely to tell monitoring-dependent lies with visual access than without visual access. Specifically, among union negotiators, 63.3 percent (22) told a monitoring-dependent lie with visual access, while only 34.2 percent (12) told a monitoring-dependent lie without visual access, $\chi^2(1) = 5.71, p < .05$. Also as predicted, the frequency of monitoring-independent lies was not affected by visual access. Among city negotiators, 40 percent (14) told a monitoring-independent lie with visual access, while 43.2 percent (15) told a monitoring-independent lie without visual access, $\chi^2(1) = .06, p = .80$. These data support our first hypothesis. Participants were more likely

to tell a monitoring-dependent lie with visual access than they were without visual access, but participants were not more likely to tell a monitoring-independent lie with visual access than they were without visual access. We depict these results in Figure 2.

Trust and Deception

In general, negotiators who were targets of deception trusted their counterpart less than did negotiators who were not targets of deception. However, this pattern had one important exception. Consistent with our second hypothesis, participants who told monitoring-dependent lies and negotiated via videoconference (with visual access) were trusted somewhat more than similar participants who did not tell monitoring-dependent lies.

Figure 2
Visual Access and the Use of Deception



For those without visual access, average trust scores for targets who were and were not told *monitoring-independent lies* were 4.28 (.93) and 4.97 (1.25), respectively. For participants with visual access, average trust scores for targets who had and had not been told *monitoring-independent lies* were 4.08 (1.48) and 4.23 (1.03), respectively. Similarly, for negotiators without visual access, average trust scores for targets who were and were not told *monitoring-dependent lies* were 4.13 (1.33) and 4.97 (1.04), respectively. Consistent with Hypothesis 2, however, this pattern reverses for negotiators telling monitoring-dependent lies with visual

access. Targets who were told a monitoring-dependent lie with visual access trusted their counterpart slightly *more* than did targets who had not been told a monitoring-dependent lie, 4.88 (1.26) versus 4.59 (1.56). Analysis of variance reveals a marginally significant interaction between the use of deception and visual access for monitoring-dependent lies [$F(1, 62) = 3.01, p = .08$], but *not* for monitoring-independent lies [$F(1, 57) = .76, p = .39$].

Deception and Negotiated Outcomes

We next consider the relationship between the use of deception and outcomes. We find that negotiators who were targets of monitoring-dependent lies were significantly more likely to report giving concessions than were those who were not targets of monitoring-dependent lies, 74.2 percent (30) versus 13.9 percent (4), $\chi^2(1) = 25.0, p < .001$. In addition, those who reported giving concessions earned fewer total points than did negotiators who did not report giving concessions, 628.6 (41.5) versus 653.2 (45.3), $t(62) = 2.21, p < .05$.

Overall, however, the relationship between deception and outcomes is relatively weak. Targets of monitoring-independent lies earned only slightly fewer points than negotiators who were not targets of monitoring-independent lies, 712.4 (60.3) versus 716.0 (55.6), $t(62) = .47, p = .64$, and targets of monitoring-dependent lies earned only slightly fewer points than negotiators who were not targets of monitoring-dependent lies, 639.6 (48.7) versus 645.8 (41.7), $t(63) = .55, p = .58$. Similarly, negotiators who told a monitoring-independent lie earned only slightly more points than negotiators who did not tell a monitoring-independent lie, 654.7 (47.3) versus 644.4 (43.1), $t(57) = .87, p = .39$, but negotiators who told a monitoring-dependent lie did not earn more points than negotiators who did not tell a monitoring-dependent lie, 719.8 (59.0) versus 721.1 (56.8), $t(63) = .09, p = .93$. Although not statistically significant, these results were generally in the direction predicted by Hypotheses 3a and 3b. A number of factors both related and unrelated to the use of deception may have influenced these outcomes, and we identify some of these in the discussion section.

Deception and Retaliation

As predicted by our fourth hypothesis, deception significantly influenced negotiators' use of retaliation. From among the retaliation options, few participants chose to hold a rally for the opposing candidate, an option that was costly to themselves (union) and very costly for their counterpart (city). Of the 70 participants in the union role, only 4 chose this option. Consequently, we collapsed this measure into a binary score to distinguish between those who did and those who did not choose to harm their counterpart. We then constructed a logit model of retaliation choice as a function of their beliefs about the true state of the budget, a measure of the extent to which they were deceived by their city counterpart. In this model the budget belief parameter was highly significant, $\chi^2(1) = 6.55, p < .01$, implying that the more negotiators were deceived the more likely they were to retaliate.

Discussion

In this article we highlight the importance of visual access to deceivers. We distinguish between types of lies according to the importance of monitoring a target during the deception episode. In telling monitoring-dependent lies deceivers derive greater benefits from monitoring their target's reaction than they do when telling monitoring-independent lies.

We manipulated visual access in a negotiation experiment. Consistent with our conceptualization, we found that participants were more likely to tell monitoring-dependent lies with visual access than without visual access, but that the use of monitoring-independent lies was unaffected by the presence of visual access. We also found that trust was influenced differently by the presence of visual access for different types of lies. Although negotiators tended to trust their counterpart less when they were the target of deception overall, we found that negotiators who told monitoring-dependent lies with visual access were actually trusted more by their counterpart than were those who did not tell monitoring-dependent lies with visual access. When telling monitoring-dependent lies, individuals need to monitor their targets and assess their beliefs to reduce capitulation risk, the risk that a target will make an unwanted concession or capitulation. Consequently, deceivers who tell monitoring-dependent lies with visual access may be particularly focused on the target's behavior and attuned to the gullibility of their counterparts. Ultimately, these deceivers may be able to maintain particularly high levels of (false) trust.

These results suggest that in some cases, such as with monitoring-dependent lies, visual access may actually help negotiators use deception more successfully and increase the likelihood that they will use deception. Prescriptively, managers should recognize that visual access will not always curtail deception. This implication is particularly important in that it qualifies previous advice, such as Thompson's (2001) recommendation that negotiators communicate in person to guard against deception. While previous research emphasizes the fact that visual access may help targets *detect* deception, our results suggest that visual access may also help deceivers *use* certain types of deception.

Our results also identify an important relationship between revealed deception and retaliation. The more deceived negotiators were, the more likely they were to retaliate. This result suggests that there may be long-term costs to using deception, even when deception succeeds in the short-term. While prior work has identified short-term gains from using deception (Croson, Boles, & Murnighan, in press; O'Connor & Carnevale, 1997), surprisingly little work has examined the long-term consequences of deception (see Schweitzer, Hershey, & Bradlow, 2003, for an exception). These consequences are likely to include a number of costs in addition to retaliation, such as lack of commitment and damage to the relationship.

In general, we found weak relationships between the use of deception and short-term economic outcomes. Though on average targets of deception earned lower profits than did those who were not targets of deception, and deceivers earned higher profits than did those who did not use deception, these differences were not significant. This lack of significance may be due to several aspects of our negotiation context and our experimental design. First, in our negotiation task there

were relatively few points associated with the successful use of deception. Second, in an integrative case such as the one we used, the use of deception could actually harm the deceiver's profit. While deception may enable a negotiator to gain leverage, it may also impede the exchange of information leading to fewer mutually-beneficial trades and integrative agreements (Weingart, Bennett, & Brett, 1993). Third, the relationship between the use of deception and short-run outcomes may be confounded by endogenous factors such as self-selection. For example, weaker negotiators, or those who are doing poorly in a negotiation, may be more likely to resort to deception, confounding the relationship between deception and outcomes. Our primary question of interest—the extent to which negotiators choose to use deception—inevitably led to this shortcoming. Future work should study the relationship between deception, beliefs, and economic outcomes by manipulating deception (e.g., through the use of confederates) rather than observing the extent to which it arises endogenously.

Our investigation was also limited by our use of only telephone and videoconference media. While our study highlights the role of visual access while maintaining synchronous, distanced communication, important visual cues remain inaccessible via video-conference. An important extension of this work involves introducing other forms of communication, such as face-to-face and e-mail negotiations. In addition, participants in our study were limited in their ability to tell either a monitoring-dependent or a monitoring-independent lie. In many cases, negotiators have the opportunity to use both types of deception, and future work should examine how different deception opportunities influence the deception decision process. In a similar vein, future extensions of this work should consider the relationship between visual access, capitulation risk, and detection risk.

Our characterization of deception suggests that monitoring-dependent lies require deceivers both to access and interpret social cues. Although the focus of this article is on visual access, the deceiver's ability to interpret social cues is equally important. For example, social perception skills and target familiarity will directly impact a deceiver's ability to use deception effectively. In cross-cultural communication for example, unfamiliarity with the target or the target's culture may lead deceivers to misinterpret important cues (Brodt & Tinsley, 2000; Tinsley & Brodt, in press), leading to less frequent and less effective deception. Future research might collect additional process measures and examine aspects of the social interaction. For example, teams may be more effective when negotiating with visual access than without visual access. Teams have greater cognitive capacity and may be more attentive to their counterpart's visual cues, leading them to be more effective deceivers.

In general, managers encounter deception not only in negotiation, but in many other managerial activities as well. Curtailing deception represents an important and practical challenge for both organizations and individuals, and further research is needed to explore the relationship between deception, social context cues, and visual access. Ultimately, results from this work will enhance our understanding of the deception decision process and enable us to expand our models of ethical decision making. Results from this stream of research will also enable us to refine managerial prescriptions for anticipating and guarding against the use of deception.

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APPENDIX

Profit Schedules

Payoff Schedule to City Negotiator and Union Negotiator

City Negotiator		Union Negotiator			
Increase in salaries:		Payoff if Budget Deficit is..		Budget Surplus is..	
Percentage increase	Payoff	>10%	0%–10%	0–10%	>10%
0%	200	0	–20	–40	–60
1%	180	20	0	–20	–40
2%	160	40	20	0	–20
3%	140	60	40	20	0
4%	120	80	60	40	20
5%	100	100	80	60	40
6%	80	120	100	80	60
7%	60	140	120	100	80
8%	40	160	140	120	100
9%	20	180	160	140	120
10%	0	200	180	160	140
Increase in pension contribution:					
Percentage increase	Payoff	Payoff			
0%	100	100			
1%	90	130			
2%	70	140			
3%	40	145			
In-house psychological counseling:					
Option	Payoff	Payoff			
No	112	80			
In junior and high schools	80	125			
In all schools	50	135			
Maximum class size:					
Number	Payoff	Payoff			
40	120	90			
35	100	100			
30	80	110			
25	60	120			
20	20	130			

Appendix (contd.)

City Negotiator		Union Negotiator	
Increase in Salaries: Percentage increase	Payoff	Payoff if Budget Deficit is.. >10%	Budget Surplus is.. 0-10% >10%
Budget for teaching support:			
Percentage increase	Payoff	Payoff	
0% increase	120	60	
10% increase	105	100	
20% increase	90	140	
30% increase	75	180	
Tougher teacher certification:			
Option	Payoff	Payoff	
No	100	100	
Yes	180	180	

Biographical Note

Maurice E. Schweitzer

Wharton School, 566 JMHH, OPIM

University of Pennsylvania

Philadelphia, PA 19104

Phone/Fax: 215-898-4776/3664

Email: schweitzer@wharton.upenn.edu

Maurice Schweitzer is an Assistant Professor at the Wharton School of the University of Pennsylvania. His research describes the negotiation process and ethical decision making. Maurice is particularly interested in deception and trust, but his research also examines how factors such as alcohol and physical attractiveness influence bargaining behavior.

Susan Brodt is an Associate Professor at Duke University's Fuqua School of Business. She received her Ph.D. in Psychology and M.S. in Statistics from Stanford University. Her research focuses on cognitive and social psychological factors in negotiation and in work relationships, with an emphasis on interpersonal trust. Susan's work has appeared in psychology as well as management journals. (susan.brodt@duke.edu)

Rachel Croson is an Associate Professor at the Wharton School of the University of Pennsylvania. She received her Ph.D. in Economics from Harvard University in 1994. Her research uses experimental methods to investigate how people behave in strategic situations including bargaining and negotiation, social dilemmas and other settings. Her research is extremely interdisciplinary, and has been published in journals in economics, psychology, sociology and management. (crosonr@wharton.upenn.edu)

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