

COGNITIVE FLEXIBILITY, PERCEPTION OF INTEGRITY, AND RISK PROPENSITY AS ANTECEDENTS OF WILLINGNESS TO ENGAGE IN INTEGRATIVE NEGOTIATION

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Abstract

Integrative negotiation is the type of negotiation reputed to generate the most positive results, since it focusses on reaching win-win solutions and aims to increase joint outcomes. The purpose of this article is to analyse variables which may foster willingness to engage in integrative negotiation. More specifically, the study investigates two variables that have not been studied in previous research on integrative negotiation - cognitive flexibility and perception of integrity. It also includes one variable which has been widely researched, but for which inconsistent results have been reported - risk propensity. Results show that, while the alternatives subscale of cognitive flexibility is a predictor of willingness to engage in integrative negotiation, the same does not hold for the control subscale. Results also show that perception of integrity is a predictor of willingness to engage in integrative negotiation, while there is no significant association between risk propensity and willingness to engage in integrative negotiation. Theoretical contributions and practical application for training in negotiation are discussed.

Key words: Integrative negotiation, Cognitive Flexibility, Perception of Integrity, Risk Propensity, Portugal.

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Introduction

Negotiation is an essential activity in social interactions (De Dreu, 2003; Volkema & Fleck, 2012; Westbrook, Arendall, & Padelford, 2011). In an organizational context, individuals frequently engage in negotiation-related activities, as a means of solving conflicts, reaching agreement, or obtaining acceptable conditions for a deal (Damasceno Correia, 2015; Drake, 2001; Ma & Jaeger, 2010; Stoshiki, 2014; Thompson, 1990).

Over the years, many authors have attempted to identify ways to improve negotiation processes and many empirical studies have been undertaken on this topic. In particular, many studies have been devoted to identifying conditions and barriers to using integrative approaches in negotiation processes (Bazerman, Curhan, Moore, & Valley, 2000; Mintu-Wimsatt, 2002). Integrative approaches to negotiation are recognized to yield the most positive results, as they enhance the possibility of achieving higher joint objectives and finding win-win solutions, that is to say, solutions that are mutually beneficial (Damasceno Correia, 2015; Graham, Mintu, & Rodgers, 1994; Han, Kwon, Bae, & Park, 2012; Mintu-Wimsatt, Garci, & Calantone, 2005; Perdue & Summers, 1991; Westbrook, 1996). However, negotiators often fail to recognize the possibility of mutually beneficial solutions in a negotiation situation (Lewicki, Barry, Saunders, & Minton, 2003; Schei, Rognes, & Mykland, 2006), and may even assume that the other party's interests and preferences are incompatible with their own in situations, when they are perfectly compatible (Oore, Leiter & LeBlanc, 2015; Stoshikj, 2014; Thompson & Hastie, 1990; Caputo, 2013).

This study aims to contribute to the current state-of-the art research concerning the effect of individual differences on negotiators' willingness to use an integrative approach. The topic of individual characteristics has received much attention from researchers and a large number of studies have investigated the impact of these variables on negotiation. However, inconsistent results have often been reported, and some authors have questioned the link between individual characteristics and negotiation processes (Barry & Friedman, 1998; Fulmer & Barry, 2004; Mintu-Wimsatt, 2002). Nowadays, there is some agreement that previous inconsistencies may be partly due to the fact that some variables used may not have been conceptually related to negotiation, such as some personality traits (Barry & Friedman, 1998; Foo, Elfenbein, Tan, & Aik, 2004; Ma, 2008; Mintu-Wimsatt & Graham, 2004).

This article attempts to investigate variables for which evidence of a conceptual link with integrative negotiation can be derived from the earlier theory developments. More specifically, it analyses how cognitive flexibility, perception of integrity, and risk propensity interact to predict willingness to use an integrative approach. To the best of our knowledge, there is no previous empirical research linking cognitive flexibility and perception of integrity to willingness to engage in integrative negotiation, which can be considered an original aspect of this article.

Cognitive flexibility includes the tendency to perceive that successful resolutions are possible, the ability to generate multiple alternatives and the ability to perceive multiple explanations for human behaviour (Dennis & Vander Wal, 2010). Therefore, it is arguable that cognitive flexibility may enhance individuals' ability to seek alternative and creative solutions and to correct misperceptions about others' interests, which are central aspects of integrative negotiation (Damasceno Correia, 2015; De Dreu, 2003; Foo et al., 2004; Han et al., 2012; Mintu-Wimsatt, 2002; Olekalns, Smith, & Walsh, 1996; Perdue & Summers, 1991).

Perception of integrity captures the perceived honesty and fairness of others and is the basis for establishing trust (Olekalns & Smith, 2005; Rodriguez Mosquera, 1999; Sheppard & Shermann, 1998). This is an increasingly relevant variable, as ethical scandals of the past decade have fuelled perceptions of danger and lack of trust in people and institutions (Damasceno Correia, 2009; Olakalns, Kulik, & Chew, 2014; Tang & Liu, 2012). Several authors have found that attaining positive results in a negotiation process requires a perception that the other part is ethical, fair, and honest (Banai, Stefanidis, Shetach, & Özbek, 2014; Olekalns & Smith, 2007; Prasad & Cao, 2012; Ross & LaCroix, 1996). It is arguable that perceptions of integrity affect intentions to use aspects related to the integrative approach, such as willingness to identify common interests, voluntary disclosure of relevant information, and willingness to maintain a long-term relationship (Damasceno Correia, 2015; Gunia, Brett, Nandkeolyar, & Kamdar, 2011; Han et al., 2012; Mintu-Wimsatt et al., 2005; Prasad & Cao, 2012; Thompson, Wang, & Gunia, 2010).

Risk propensity is one of the most researched traits in connection with negotiation (e.g., Dickinson, 2009; Kaputsis, Volkema, & Nikolopoulos, 2013; Larrick, Heath, & Wu, 2009; Mintu-Wimsatt, 2002; Mintu-Wimsatt et al., 2005; Mintu-Wimsatt & Graham, 2004; Volkema & Fleck, 2012; Westbrook, 1996). Some studies have indicated that risk propensity has an impact on aspects of integrative negotiation, such as willingness to make concession and willingness to cooperate (Bottom & Studt, 1993; Westbrook, 1996). However, contradictory results have also been found in studies linking risk propensity to integrative negotiation (Mintu-Wimsatt, 2002; Mintu-Wimsatt et al., 2005; Mintu-Wimsatt & Graham, 2004).

In the following sections we start by describing in more detail the main aspects of integrative negotiation. Subsequently, we discuss how cognitive flexibility, perception of integrity, and risk propensity may impact willingness to engage in integrative negotiation.

Literature Review and Model Development

Negotiation Approaches

The literature usually identifies two main negotiation approaches: integrative negotiation and distributive negotiation. These approaches are also known as problem solving strategy and aggressive bargaining strategy (Bottom & Studt, 1993; Graham et al., 1994; Mintu-Wimsatt, 2002; Mintu-Wimsatt et al., 2005; Perdue & Summers, 1991). Integrative negotiation is usually

associated with the primary goal of creating value and with pro-social motives, whilst distributive negotiation is associated with the primary goal of claiming value and with egoistic motives (Foo et al., 2004; Li, Plunkett Tost, & Wade-Benzoni, 2007; Sebenius, 1992; Tinsley, O'Connor, & Sullivan, 2002). In other words, whilst using the integrative approach negotiators seek to "enlarge the pie" (increase the joint outcome), by using the distributive approach, negotiators focus on seeking a larger share of the pie for themselves (Damasceno Correia, 2015; Foo et al., 2004; Sebenius, 1992; Stoshikj, 2014).

It should be noted that some authors have argued that effective negotiation depends on the abilities of parties to manage both the integrative and the distributive approach, and that the positive effects of integrative tactics on joint outcomes increase when negotiators employ, to a greater or lesser degree, distributive tactics along with integrative tactics (Foo et al., 2004; Han et al., 2012; Perdue & Summers, 1991; Zhou, Zhang, & Xie, 2014). Nevertheless, integrative negotiation undoubtedly generates more positive outcomes and the main concern of studies is usually to find antecedent conditions for this approach (e.g., Mintu-Wimsatt, 2002). In this study we will also focus on analysing antecedents of willingness to engage in integrative negotiation.

The integrative approach intends to provide win-win outcomes (Damasceno Correia, 2015; Graham et al., 1994; Han et al., 2012; Mintu-Wimsatt, 2002; Mintu-Wimsatt et al., 2005; Perdue & Summers, 1991; Westbrook, 1996), emphasizes the identification of common goals and the maintenance of long-term relationships (Damasceno Correia, 2015; Mintu-Wimsatt, 2002; Olekalns et al., 1996; Stoshikj, 2014), and is therefore concerned with establishing trust (Damasceno Correia, 2015; Olekalns & Smith, 2005; Ross & LaCroix, 1996; Westbrook et al., 2011).

To achieve its purposes, the integrative approach employs behaviours that are cooperative, embody ideas such as willingness to make concessions (Barry & Friedman, 1998; Damasceno Correia, 2015; Mintu-Wimsatt, 2002; Graham et al., 1994; Olekalns et al., 1996; Perdue & Summers, 1991; Westbrook, 1996), and avoids deception and manipulative behaviour for personal gain (Amanatullah, Morris, & Curhan, 2008; Kapoutsis et al., 2013; Volkema & Fleck, 2012). It encourages parties to explore more alternatives and to search for creative solutions (Foo et al., 2004; Han et al., 2012; Wilson & Thompson 2014), which involves seeking additional information about others' needs and preferences, correcting misperceptions of others' interests, and the ability to use multiple frames by taking the other side's perspective (Damasceno Correia, 2015; De Dreu, 2003; Drake, 2001; Graham et al., 1994; Mintu-Wimsatt, 2002; Olekalns et al., 1996; Perdue & Summers, 1991; Ross & LaCroix, 1996).

Cognitive Flexibility

Spiro & Jehng (1990, p. 165) defined cognitive flexibility as "the ability to spontaneously restructure one's knowledge, in many ways, in adaptive response to radically changing situation demands ..."

Negotiations often involve rapid, unexpected changes in circumstances, as well as complex and dynamic interactions (Fulmer & Barry, 2004). It is therefore reasonable to expect that negotiations will require adaptability, attention to multiple sources of information, and rapid learning, which may be facilitated by cognitive flexibility. Individuals possessing cognitive flexibility may be expected to react adaptively and/or to anticipate the occurrence of a difficult situation, or a change in the current situation (Damasceno Correia, 2008; Dennis & Vander Wal, 2010). The expectation that cognitive flexibility will be related to willingness to use integrative negotiation is reinforced by the fact that there is evidence that related competences (e.g., cognitive perspective-taking) facilitate the endorsement of fundamental aspects of integrative negotiation, such as the generation of creative solutions to seemingly irreconcilable differences between negotiators (Oore et al., 2015).

According to Dennis & Vander Wal (2010), cognitive flexibility includes three aspects: a) The tendency to perceive difficult situations as being controllable, i.e., that successful resolutions are possible; b) The ability to perceive multiple alternative explanations for life occurrences and human behaviour; and c) The ability to generate multiple alternative solutions to difficult situations.

The first aspect enhances individuals' ability to think about constructive ways to resolve difficult situations (Dennis & Vander Wal, 2010). This aspect is particularly relevant for integrative negotiation because this approach requires overcoming faulty beliefs that negotiators' interest and fully opposed and irreconcilable, i.e., there is no solution (Thompson & Hastie, 1990; Wilson & Thompson, 2014). Quite often a non-obvious solution, one that "enlarges the pie" and provides win-win outcomes, exists, but negotiators fail to realize this. Negotiators that possess cognitive flexibility are more likely to believe that it is possible to reach such a solution and, therefore, are also more likely to engage in behaviour aimed at crafting mutually satisfying alternatives.

The second aspect allows for a better appreciation of important factors for the situation (Dennis & Vander Wal, 2010). Several authors have pointed out that achieving desired results in a negotiation is dependent upon individuals' ability to grasp the facts and dynamics of the situation and to figure out the other party's interests and perspectives (Fulmer & Barry, 2004; Thompson, 1990), which appears to have a close link with this aspect of cognitive flexibility. On the other hand, this aspect of cognitive flexibility also seems particularly relevant for achieving some of the main objectives of the integrative approach mentioned above, such as seeking the needs and preferences of others, correcting misperceptions of others' interests, and using multiple frames by taking the other side's perspective.

The third aspect of cognitive flexibility usually leads to identifying and testing more adaptive solutions (Dennis & Vander Wal, 2010). Since the integrative approach, as mentioned above, induces parties to explore more alternatives, to spend time in inventing options, and to search for creative solutions, it is also arguable that this aspect of cognitive flexibility enhances the use of an integrative approach.

Exploratory factor analysis indicates that the *Cognitive Flexibility Inventory* developed by Dennis and Vander Wal (2010) has a reliable two-factor structure. All items in the first factor were originally developed to measure the second and third aspects mentioned above, which was labelled the Alternatives subscale. The second factor was labelled the Control subscale, because almost all its items were originally developed to measure the first aspect of cognitive flexibility.

Given the apparent close link between the aspects of cognitive flexibility and the characteristics of integrative negotiation, we expect that:

HI: Dimensions of cognitive flexibility will be positively related to willingness to engage in integrative negotiation.

Perception of Integrity

Integrity is a complex concept, which still lacks a consistent definition and is indiscriminately associated with honesty, trustworthiness, dependability, and reliability (Wanek, Sackett, & Ones, 2003). According to Schlenker (2008), it comprises a strong personal commitment to a moral identity, which fosters positive social behaviours and helps to resist the temptation of engaging in deceptive and/or immoral behaviours. Tan & Tan (2000) take the standpoint of the observer, defining integrity to be the extent by which an individual reflects values that are acceptable to the observer. They also argue that a person is considered to have integrity if that person is perceived to be consistent and credible, and to have a strong sense of justice.

Perception of integrity captures the perceived honesty and fairness of the other person and has a close relationship with trust (Olekalns & Smith, 2005; Rodriguez Mosquera, 1999; Sheppard & Shermann, 1998). In fact, perception of integrity is critical when someone assesses another's trustworthiness (Robbins & Coulter, 2014; Tan & Tan, 2000). Perception of integrity is particularly important in negotiation contexts, as individuals need to be able to believe that other participants will act in good faith and that they will keep their promises (Matheson, Holmes, & Kristiansen, 1991; Schlenker, 2008). Furthermore, several authors have found that attaining positive results in a negotiation process requires a perception that the other party is ethical, fair, and honest (Banai et al., 2014; Olekalns & Smith, 2007; Prasad & Cao, 2012; Ross & LaCroix, 1996). The rationale is that: 1) there is a close relationship between these perceptions and trust, and; 2) on perceiving that others are trustworthy and that negotiators will anticipate that they will act in good faith, which facilitates subsequent interactions (Banai et al., 2014; Matheson et al., 1991; Olekalns & Smith, 2007; Sheppard & Sherman, 1998). When negotiators believe their counterparts have high integrity, they are more likely to enter the relationship with confidence

that the counterparts can be trusted. By contrast, when perceptions of integrity are lacking, relationships become unpredictable, and there is an increase in the perceptions of danger and lack of trust.

Research has also revealed that negotiators' perceptions of their counterparts are important, because negotiators tend to define their negotiation strategies in accordance with these perceptions (Mintu-Wimsatt, 2002; Mintu-Wimsatt et al., 2005; Westbrook, 1996). For the particular case of perception of integrity, this is much related with trust levels, which have been found to facilitate the use of the integrative approach. For example, in a study of American and Indian negotiators, Gunia et al. (2011) found that lower levels of trust were associated with lower use of aspects related to the integrative approach, such as lower identification of common interests, and lower information exchange. Therefore, we propose that:

H2: Perception of integrity will be positively related to willingness to engage in integrative negotiation.

Risk Propensity

Risk is usually defined as being a function of the uncertainty of outcomes and of the likelihood and the perceived value of each outcome (e.g., March & Shapira, 1987; Hung & Tangpong, 2010). Risk propensity is the degree by which a person: a) is willing to take a chance when there is a risk of loss, or merely when the outcome is uncertain, or; b) prefers options with a lower probability of success, but with a possibility of greater rewards or gains (Damasceno Correia, 2015; Hung & Tangpong, 2010).

Individuals' behaviour in risky situations depends not only on their rational assessment of outcomes and probabilities, but also on their predisposition towards risk (Bromiley, 1991; Hung & Tangpong, 2010; Lopes, 1987; Soares, 2010). Several studies have attempted to analyse the impact of risk propensity on the use of an integrative approach, either by focusing on particular aspects of integrative negotiation or by using unidimensional measures of integrative negotiation. Results of studies focusing on particular aspects of integrative negotiation have indicated a negative correlation between risk propensity and use of integrative negotiation tactics (Barr, 1987; Bottom & Studt, 1993; Westbrook, 1996). Individuals with lower risk propensity make more concessions, and are more likely to cooperate, in order that better agreements can be reached. By contrast, individuals with higher risk propensity make fewer concessions, and use more aggressive techniques. Apparently, individuals with higher risk propensity are willing to take their chances with regard to the possibility that their counterparts will abandon the negotiation table, and are therefore less likely to engage in integrative negotiation.

Studies using unidimensional measures have provided inconsistent findings. Mintu-Wimsatt (2002) found no relationship between risk-propensity and use of integrative negotiation (problem solving approach) in a sample of exporters from the Philippines and the US. However, in a latter study (Mintu-Wimsatt et al., 2005), where the two samples are analysed separately, a significant negative

relationship was found for the US sample, but not for the Philippine one. Similarly, Mintu-Wimsatt and Graham (2004) found a significant positive relationship between risk aversion (the opposite of risk propensity) and use of integrative negotiation in a sample of Canadian Anglophone exporters, but the relationship was not significant in the sample of Mexican exporters.

In summary, results show that in samples from the US and Anglophile Canada, a negative relationship exists between risk propensity and willingness to use integrative negotiation, whilst in samples from Philippines and Mexico, the relationship is not significant. One possible explanation for this may that the measure of risk propensity used has a differential functioning in the country samples. On a close inspection, items used do not seem to be related to risk in business decisions (e.g., "Do you drive a car rather fast"). Several authors consider that risk propensity depends on context characteristics and may differ in different domains in life (Hung & Tangpong, 2010; Kleinman, Palmon, & Yoon, 2014; MacCrimmon & Wehrung, 1990; Weber, Blaise, & Betz, 2002). Therefore, the level of risk propensity in personal life situations (such as driving a car fast), may, or may not be the same as the level of risk propensity in a negotiation or business context, depending on different cultural interpretations.

To avoid this possible different functioning of the measure of risk propensity, in this study we will use a measure of risk propensity specifically developed for the case of business risks (Hung & Tangpong, 2010). Following the arguments in the above mentioned literature, we propose that:

H3: Risk propensity will be negatively related to willingness to engage in integrative negotiation.

The model depicted in Figure 1 shows the variables under study and the proposed hypotheses. This study also intends to explore an additional research question: Which variables have the highest predictive power of willingness to engage in integrative negotiation?

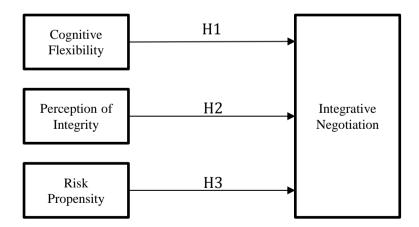


Figure 1. Antecedents of integrative negotiation

Method

Participants and Procedures

We conducted a survey with students enrolled in part-time Masters' degree programmes in Lisbon, Portugal. The total sample of 112 participants consists of part-time Masters' degree students enrolled in evening programmes at three different universities in Lisbon.

Lecturers were asked to distribute a written questionnaire during classes, and participants took 20 to 30 minutes to answer it. To enhance participation, it was stated that students who completed the questionnaires would receive feedback on their personal scores on the variables under study, which they could compare with the mean scores of all participants in the study. To respect anonymity, students chose a code number which was used to provide individual feedback.

A Portuguese version of the questionnaire was used for all participants. This version was obtained by translating and back-translating measures described in the following section.

Measure	Items	Frequency	Percentage
Gender	Female	72	64.3
	Male	39	34.8
	Missing values	1	.9
Age	18-25	49	43.8
	26-30	20	17.9
	31-35	18	16.1
	36-40	12	10.7
	41-45	6	5.4
	46-50	5	4.5
	51-60	2	1.8
Marital Status	Single	75	67.0
	Married	32	28.6
	Divorced	5	4.5
Hierarchy level	Top managers	11	9.8
	Middle managers	11	9.8
	First line managers	15	13.4
	Highly qualified workers	18	16.1
	Qualified workers	46	41.1
	Missing values	11	9.8
Sector	Public	26	23.2
	Private	68	60.7
	Third sector	5	4.5
	Missing values	13	11.8
Degree	HRM	72	64.3
	Public Administration	5	4.5
	International Business	4	3.6
	Leadership	7	6.3
	MBA	24	21.4
Total		112	100

Table 1: Participants' demographic information

Table I shows the participants' demographic characteristics. For subsequent analyses, gender was computed as I=Female, and 2=Male. Computations of the other demographic variables followed a similar logic - the first group being attributed Code I, the second group Code 2, and so forth.

Measures

Four constructs were measured: willingness to engage in integrative negotiation; cognitive flexibility; perception of integrity, and; risk propensity, for which a five-point Likert scale was used (ranging from 1 = Completely disagree, to 5 = Completely agree).

Willingness to engage in integrative negotiation was measured with four items developed by Chandler and Judge (1998), and three items developed by Glibkowski (2009). For cognitive flexibility, the 20-item inventory of Dennis and Vander Wal (2010) was used. For perception of integrity, we used 7 items developed by Rodriguez Mosquera (1999), and two items that were developed specifically for the purpose of this study, which were: "Have a strong sense of honour", and "Only close a deal when they are sure they can fulfil their obligations. Finally, the 10-item instrument of Hung and Tangpong (2010) was used to measure risk propensity.

In order to establish the content validity of the measures, an exploratory factor analysis was conducted, with principal components as the extraction method and varimax rotation. After deleting items with poor loadings, five factors were extracted, explaining 49.92% of the variance. Table 2 shows that, for the remaining 37 items, all items of willingness to engage in integrative negotiation loaded in Factor 5, all items of the alternatives subscale of cognitive flexibility loaded in Factor 4, all items of the control subscale of cognitive flexibility loaded in Factor 3, all items of risk propensity loaded in Factor 2, and all items of perception of integrity loaded in Factor 1. Although the sample is small, and the percentage of variance explained rather low, this result does not question the content validity and integrity of the constructs.

	Component				
	1	2	3	4	5
Don't keep up to their word. (R)	.729	143	.088	.028	.144
Have a strong sense of honour.	.685	179	.006	.084	.009
Have the reputation of being someone who is not to be	.807	074	.020	.082	066
trusted. (R)					
Have the reputation of being dishonest with others. (R)	.766	066	040	.074	.098
Fulfil duties that result from documents they have signed	.553	.078	.104	.055	.161
Betray other people. (R)	.742	.022	185	015	058
Lye to others. (R)	.679	.041	128	094	.018
Are not loyal to values and principles. (R)	.807	056	071	.005	045
Are hypocritical. (R)	.807	056	.030	112	.062
I believe that higher risks are worth taking for higher rewards	133	.712	.064	121	.104
To me, the best possible plan is the plan that is risk-free (R)	088	.513	.128	.112	.180
I like to take chances, even though I may fail	039	.757	.101	070	.032

Although a new thing has a high promise of reward, I do not want to be the first one who tries it. I would rather wait	.029	.556	.295	.231	201
until it has been tested and proven before I try it (R) When I have to make a decision for which the consequence is not clear, I like to go with the safer option, even though it may yield limited rewards. (R)	014	.533	.183	136	209
I like to try new things, knowing well that some of them will disappoint me	.161	.584	.169	.236	116
To earn greater rewards, I am willing to take higher risks	231	.590	.034	141	.140
I prefer a tested-and-tried approach to a new approach,	.067	.573	.220	.225	074
even though the new approach has a possibility of being better in the end (R)					
I like to implement a plan only if it is very certain that it	015	.652	.151	.058	.117
will work.	.010	.002		.000	,
I seek new experiences, even if their outcomes may be risky	129	.702	109	060	.012
I have a hard time making decisions when faced with	099	.033	.746	.008	.079
difficult situations (R)					
When I encounter difficult situations, I feel like I am losing	.069	.173	.759	.035	061
control (R)					
I find it troublesome that there are so many different ways	001	.170	.350	.196	061
to deal with difficult situations. (R)					
When I encounter difficult situations, I just don't know	033	.187	.761	066	.151
what to do (R)					
I feel that I have no power to change things in difficult	191	.226	.654	.088	.047
situations (R)					
When encountering difficult situations, I become so stressed	.097	.101	.787	.145	.053
that I cannot think of a way to resolve the situation (R)					
I can think of more than one way to resolve a difficult	067	.221	.224	.495	005
situation I'm confronted with					
I consider multiple options before making a decision		133	.146	.685	.089
When in difficult situations, I consider multiple options	041	094	.001	.726	.042
before deciding how to behave					
I often look at a situation from different points of view	.015	.185	.054	.677	.133
I consider all the available facts and information when	.061	.077	006	.681	.303
attributing causes to behavior					
When I encounter difficult situations, I stop and try to think	.045	065	.162	.643	.337
of several ways to resolve it.	000	004	00=		0.50
It is important to look at difficult situations from many angles.				.525	.058
I engage in mutual problem solving with the other party				.179	.687
I try to build the case for an agreement by selling the other	062	015	.067	.043	.565
party the merits of an agreement	201	000	206	1.40	241
I try to facilitate the negotiation process by improving the	.291	009	296	.140	.341
mood of the other party I try to arrive at pay solutions that satisfy both parties	167	202	024	322	E 47
I try to understand what the other party values most	.167	.282 022	.034	.322	.547
I try to understand what the other party values most. I try to have a "win-win" relationship with the other party	.060	022	.035		.611 735
r u y to have a win-win relationship with the other party	.003	022	.108	.246	.735

Table 2: Factor analysis

Results

Table 3 presents the reliability, mean and standard deviation of the measures. Cronbach's alphas of the scales used are always above .7, which can be considered acceptable for an exploratory study (Field, 2005; Nunnally & Bernstein, 1994).

Construct	Number of items	Cronbach's Alpha	Mean	Standard deviation
Willingness Integrative Negotiation (IN)	6	.707	3.932	0.461
Cognitive flexibility-Alternatives (CFA)	7	.793	4.079	0.436
Cognitive flexibility-Control (CFC)	6	.802	3.614	0.657
Perception of integrity (PI)	9	.895	3.276	0.656
Risk propensity (RP)	10	.831	3.536	0.534

Table 3: Reliability, mean and standard variation

Subsequently, we identified significant correlations for willingness to engage in integrative negotiation in the correlation matrix (Table 4), and conducted stepwise multiple regression analysis (Table 5) to assess HI to H3. Results showed that willingness to engage in integrative negotiation is significantly positively correlated with the alternatives subscale of cognitive flexibility and with perception of integrity. No significant association is found between willingness to engage in integrative negotiation and both the control subscale of cognitive flexibility and risk propensity.

1.	2.	3.	4.	5.
1	.376**	.051	.191*	.062
	1	.212*	.064	.097
		1	076	.386**
			1	128
				1
	1.		1 .376** .051	1 .376** .051 .191* 1 .212* .064

^{**} Correlation is significant at the 0.01 level (1-tailed)

Table 4: Correlation matrix

^{*} Correlation is significant at the 0.05 level (1-tailed)

To analyse which variables had a higher predictive power of willingness to engage in integrative negotiation, we conducted stepwise multiple regression with willingness to engage in integrative negotiation as the dependent variable and the two scales of cognitive flexibility, perception of integrity, risk propensity, and demographic variables as the independent variables. The alternative scales of cognitive flexibility, age, and hierarchy level were retained in the model (Table 5), and regression coefficients for these variables are all significant (p<0.05). The first variable retained by the model was the alternatives scale of cognitive flexibility, explaining 13.7% of the variance (R²). The four variables retained by the model account for 29.3% of the variance.

Model	Predictor	\mathbb{R}^2	Std Beta	t-value	p-value	Collinearity Statistics	
						Tolerance	VIF
1	CFA	.137	.370	3.905	.000	1.000	1.000
2	CFA	.199	.353	3.832	.000	.995	1.005
	Age		.249	2.702	.008	.995	1.005
3	CFA	.246	.338	3.763	.000	.991	1.009
	Age		.446	3.690	.000	.550	1.818
	Hierarchy level		,294	2.437	.017	.553	1.809
4	CFA	.293	.320	3.365	.000	.983	1.017
	Age		.499	4.176	.000	.532	1.879
	Hierarchy level		.327	2.772	.007	.546	1.833
	PI		.221	2.485	.015	.963	1.038

Table 5: Stepwise regression analysis for willingness to engage in integrative negotiation

Given the results that the alternatives scale of cognitive flexibility has a positive significant regression coefficients, but that there is no significant association between the control scale of cognitive flexibility and willingness to engage in integrative negotiation, HI is only partially supported. Since perception of integrity has a positive significant regression coefficient, H2 is supported. Finally, given the lack of significant association between risk propensity and willingness to engage in integrative negotiation, H3 is not supported.

Discussion and Conclusion

Two main theoretical contributions can be derived from this exploratory study. Firstly, cognitive flexibility and perception of integrity were introduced as possible antecedents of willingness to engage in integrative negotiation. Results obtained contribute to the current state-of-the-art research concerning the effect of individual differences on negotiation by providing preliminary results for variables that may be of relevance to explore in future studies. In the case of cognitive flexibility, two subscales – Alternatives and Control – were analysed. Results indicate that the Alternatives subscale, including the capacity to perceive multiple alternative explanations and to generate multiple alternative solutions, is a predictor of willingness to engage in integrative negotiation. By contrast, the Control subscale, including the capacity to perceive difficult

situations as controllable, did not have a significant relationship with willingness to engage in integrative negotiation. As far as perceptions of integrity are concerned, results supported the hypothesis that perception of integrity is a predictor of integrative negotiation, thus providing evidence that this variable is of relevance for the study of negotiation processes.

The second main contribution concerns the analysis of the relationship between risk propensity and willingness to engage in integrative negotiation, for which inconsistent results were found in previous studies. We had assumed that those previous inconsistencies might be due to a differential functioning of the risk propensities measures used but, although we used a measure of risk propensity that was specifically developed for the context of business risks, results showed that the hypothesis that risk propensity is negatively associated with willingness to engage in integrative negotiation was not supported. Evidence from this study and from previous research points to the fact that the relationship between risk propensity and willingness to engage in integrative negotiation may be culture-bound, that is to say, it varies from culture to culture. Mintu-Wimsatt (2002) proposes that Hall's (1976) cultural dimension of high/low context and Hofstede's (1991) cultural dimension of individualism-collectivism have important effects on the relationship between individual differences and the willingness to engage in integrative negotiation. If we take these cultural dimensions into consideration, it becomes apparent that countries where a negative relationship between risk propensity and willingness to engage in integrative negotiation was found – US and Anglophile Canada - are low context and individualistic countries, while countries for which the relationship is not significant - Mexico, Philippine,s and Portugal in this study - are high context and collectivistic countries (Hall, 1976; Hofstede, 1991). This result sheds further light on previous inconsistencies, which is, we believe, an interesting avenue for future research.

As far as practical contributions are concerned, one possible application of this study is that results indicate that cognitive flexibility - more specifically its' Alternatives subscale - could be used as a selection criterion during recruitment and selection for jobs which include negotiation-related activities. Knowledge that the Alternatives subscale of cognitive flexibility is a predictor of the willingness to engage in integrative negotiation could also be practically applied in training and development courses on negotiation. These courses could be designed to enhance negotiators awareness of the potentially positive or negative effects that can be created by their level of cognitive flexibility. Individuals may also learn to compensate for this dispositional effect by strengthening their adaptability to new or changing situations and by paying more attention to multiple sources of information.

The result supporting the hypothesis that perception of integrity is a predictor of integrative negotiation may also have practical implications in negotiation training courses. One example is developing sensitivity to the importance of the interpersonal context within which negotiations take place, as well as to the consequent expectations that negotiators create for their counterparts.

The results of this study are only tentative, and some limitations should be taken into account during their interpretation. The first limitation is the sample size, which is obviously not representative of Portuguese negotiators, neither does it meet requirements for some analyses, nor does it allow for the generalization of results. Furthermore, the majority of the sample consisted of individuals enrolled in Human Resource Management courses (64.3%). While it is true that HRM involves a large degree of negotiation with employees and/or unions, this type of negotiation is very specific.

Some information that would enhance the interpretation of results is also missing. For example, although our sample is composed of individuals with experience in working for an organization, we have no information as to whether their work assignments included negotiation-related activities, or not. While it is true that negotiation is a fundamental activity in any job, as conflict is inevitable in organizations, the results' interpretation would have been enhanced by distinguishing between experienced and non-experienced negotiators (Thompson, 1990).

It should also be noted that as a means of assessing perception of integrity, respondents were asked to give their opinion about their colleagues' usual behaviour in an organizational context. A more significant analysis of the effect of perception of integrity could be obtained by requesting respondents to provide answers related to a specific person with whom they have interacted.

From this study it is possible to identify some issues which require further research. One important issue would be the development of a measure of willingness to engage in integrative negotiation. Current measures do not have high reliability, and in this study we had to combine two measures to have an acceptable reliability. We believe that this would greatly help to clarify the relationship between willingness to engage in integrative negotiation and other personality variables for which inconsistent results have been reported.

Although results obtained for cognitive flexibility and perception of integrity contributed to the study of the antecedents of willingness to engage in integrative negotiation, a more refined analysis and larger samples are necessary. It would be relevant to analyse the link between these two variables and integrative negotiation for different contexts of negotiation (e.g., HR, Sales, and Finance), and also for negotiators with different levels of experience.

While this study was conducted in a single-culture context (Portugal), results point to the relevance of conducting a cross-cultural study on the willingness to engage in integrative negotiation, which would be useful to identify the universal and the context-specific aspects of the results obtained.

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