

The Role of Deception and Emotions in Negotiation:

The Dutch and Ukrainians Compared

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Abstract

Due to an increasingly integrated economy, more and more people all over the world are negotiating with people from different cultural backgrounds. Research suggests that culture impacts negotiation behaviour in many aspects: it influences negotiators' motives, interests, and the strategies. However, most of the research that has been done in this field concerned American, Japanese or Chinese negotiation strategies, styles and tactics. Little is known about Dutch and Ukrainian negotiations styles, tactics and especially the differences between them. The present study aims to reveal the extent of these differences. In particular, we are interested in how cultural background influences negotiator's preference and attitude toward unethical behaviour and emotions' display within negotiation. The author expected that Ukrainian negotiators would consider unethical behaviour as more appropriate than the Dutch ones, and that they would imply deceptive tactics more often. Besides, it was expected that deceived Dutch negotiators would retaliate their deceivers more often than Ukrainians, and when deceived their emotions would be more negative than those of Ukrainians. Using an ultimate bargaining game participants were asked to conduct two negotiation games. Four conditions were applied in the experiment to check participants' reaction to deception, anger and possible interaction of the last. The results showed no significant difference between Dutch and Ukrainian negotiators' choices for deception or for retaliation. Moreover, no difference was found between Dutch and Ukrainian deceived negotiators' emotions. However, a closer look at participants' answers to a few questionnaires (perceived emotions of counterpart, fairness and SINS) reveals a difference between the Dutch and Ukrainians in their preferences to negotiation tactics, emotions display and fairness.

Keywords: culture, negotiation, emotions, anger, deception

The Role of Deception and Emotions in Negotiations: the Dutch and Ukrainians Compared

According to Business Ukraine magazine, the Netherlands and Ukraine have been enjoying successful business relations in many areas of economy since the XVII century (Business Ukraine Magazine, 2010 [BUM]). Nowadays more than 200 Dutch companies, among which well-known companies like Bavaria, Heineken, ING, KLM, Philips, and Shell, are active in Ukraine. Since 1991, the year Ukraine became an independent country, the Netherlands has been one of the biggest trade partners of Ukraine. In 2009, the Netherlands, among the 27 European Union member countries, was the sixth largest exporter to Ukraine (the main export products were agricultural produce, heavy and light machinery, and pharmaceuticals), and the fifth largest importer from Ukraine (among main export goods were iron and steel products, sunflower seed oil and ferronickel) (BUM, 2010).

Considerable evidence exists (i.e. Ferraro, 1994; Salacuse, 1991) that doing business with international companies is much more complicating than doing business with domestic companies. And that is due to a number of reasons: different political and legal systems, government regulations and bureaucracies, and cultural differences. However, research suggests that about 65% of failed business deals happen because of bad interpretation or misunderstanding the cultural background of your business partners (Kwintessential LTD, 2011). Negotiation is one of the most important elements of the selling and buying functions, and thus of management and business in general (Nelsin & Greenhalgh, 1983). Negotiation is a social but rather complicated process, and this complexity increases when people from different cultures and/or countries negotiate (Sebenius, 2002). Culture embeds norms and values people from different groups (countries, in our case) posse and share (Brett, 2001). In other words, culture frames people's behaviour and their reaction to the behaviour of other people (Brett, 2001). That is why it is crucial to keep in mind what the cultural background of your business partner is.

In order to get as much as possible in a deal, negotiators often use different tactics, some of which may be far from ethical. Examples of this are deceiving a counterpart or pretending to be angry and offended. Research shows (i.e. Volkema, 2004) that people from different countries perceive appropriateness of using these tactics differently, and their attitude and responses to them also vary. Let us now imagine a situation where two managers need to negotiate a deal which involves a big amount of money, and one of them gets emotional and angry (or pretends to). How should they both behave in order not to fail the deal? Or what if one of them decides to play hard and deceive an opponent by lying to him and another negotiator discovers the lie? How should he react and what should he do in order not to break down an important deal for him or his company? Every individual will answer these questions differently due to his own experience and background, but what if those two managers came from different countries let's say the Netherlands and Ukraine? How will their cultural background influence their behaviour within the described context? These questions are not easy but challenging to answer. Research on Ukraine with regard to cultural effects on management practices is underexposed. In particular, there is a lack of information about the role of cultural differences in conducting negotiations with Dutch-Ukrainian companies, which is surprising taking into account such a long history of successful cooperation between the two countries. Within this domain a research will be conducted in order to investigate the impact of national and business cultures on Dutch and Ukrainian ways of conducting negotiations, and the role of deception and emotions in negotiation in particular.

The Meaning of Culture

More than two-thirds of many negotiation efforts fail although both sides want to reach a successful agreement (Fisher, Ury, & Patton, 1991). Often barriers to a successful agreement are cultural rather than economic or legal. It is then not surprising that culture is the most frequently studied element in international negotiations (Lewicki, Barry, & Saunders, 2010). Definitions of

culture vary considerably. Hofstede (1984) defines culture as “the collective programming of the mind which distinguishes the members of one human group from another” (p. 13), claiming that national culture has the greatest impact on organizational behaviour. For purposes of this paper, culture is defined as “the socially transmitted behaviour patterns, norms, beliefs and values of a given community” (Salacuse, 1991, p.45). There is a large amount of studies that explore culture’s impact on negotiation processes (Graham, 1993; Lituchy, 1997; Brett et al., 1998; Weiss, 2004; Salacuse, 1998). Brett (2001) for instance, suggests that cultural values have a strong effect on negotiation interest and priorities, and cultural norms may influence negotiation strategies. Besides, different cultural systems can produce divergent negotiating styles – styles shaped by each nation’s culture, geography, history and political system.

Cultural Dimensions of the Netherlands and Ukraine

Hofstede’s dimensions of culture (1980) are frequently used to study the influence of cultural background on negotiation process, tactics and styles (i.e. Volkema, 1999; Acuff, 1997; Arunachalam, Wall, & Chan, 1998), even though Hofstede’s studies have received some scepticism (Schwartz, 1994; Triandis, 1982). Having conducted a large scale study on the values of people from 50 countries around the world, Hofstede (1980) identified four dimensions to classify the way people in different countries interpret their cultural environment. However, the model offered by Hofstede does not cover Ukraine. Only in the beginning of this century Ukrainian researchers in the field of cultural studies determined numerical parameters of Hofstede’s four indexes for Ukrainian (Golets, 2006).

According to Hofstede (1980), the Netherlands represents an individualistic, small power-distance, weak uncertainty-avoidance and low masculinity or feminine culture. Ukrainian culture is a collectivistic, high power distance, high uncertainty avoidance and masculine culture (Golets, 2006; Woldan, 2009; Prykarpatska, 2008).

Power Distance (PDI) is the extent to which less powerful group members accept unequal distribution of power (Hofstede, 1984). According to Hofstede (1989), in cultures with high power distance only those are right who have power. Poorer countries with a small middle class tend to high power distance in a society (Hofstede, 1989). Ukraine is a typical example of the country with high power distance. A possible explanation to an unequal division of the power in the country comes from history. Ukrainian people have always been waiting for a fair and wise ruler whom they will unquestioningly obey but he, in his turn, will lead them to a better future (like during the Cossack period). The Netherlands, on the other hand, is a country with a low power distance in the society, where no one should dominate and stand out of the crowd (Van der Horst, 2001). It may be connected to the fact that the protestant faith has been the dominant religion in the country for a long period of time, and protestant communions are non-hierarchical. Thus, the Netherlands scores much lower than Ukraine in power distance dimension.

Uncertainty Avoidance (UAI) is the extent to which people tolerate ambiguity and uncertainty. Even though both countries score quite high in UAI dimension, Ukraine scores higher than the Netherlands, 93 and 53 respectively. High uncertainty avoidance in Ukraine is closely related to high power distance in the society and the believe in a miracle and in the “savior”. Protestant countries and the Netherlands as one of them tend to score lower in uncertainty avoidance (Hofstede, 1980).

Individualism (IND) is the extent to which people depend on and look after themselves and their immediate family, where collectivism would lead to knit social structures. In the individualistic societies, people tend to see themselves as individuals, while in the collectivistic society, people tend to see themselves as members of groups (Hofstede, 2005), and this is the case in Ukraine. This may be explained by the fact that Ukrainians for a long period of time have been of the Orthodox faith which values the sense of the community and belonging to a group. The Netherlands, on the

other hand, is an individualistic country. Firstly, it is due to the stable economy, as according to Hofstede (2005), wealthier countries tend to be more individualistic than poor countries. Secondly, people living in a low-lying country like the Netherlands were constantly threatened by the water, and therefore had to become independent, mobile and rely on themselves. Moreover, for years the House of Orange (Dutch Royal family) has been the guarantor for each individual to be himself (Van der Horst, 2001). The Netherlands scores very high in this dimension, 80. Ukraine scores 38 in this dimension.

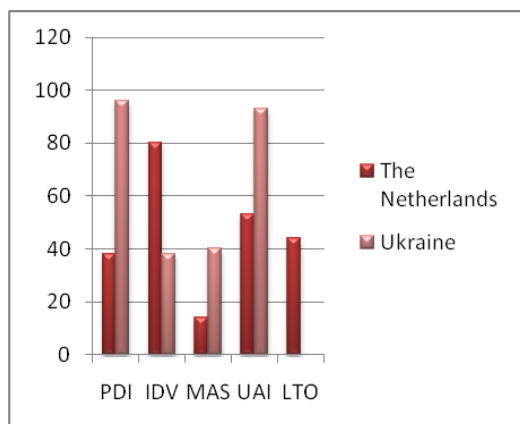
Masculinity (MAS) is the extent to which people value self-assertiveness and focus on ambition and material goods. Looking back at history we can see that for centuries Ukrainian society has been masculine with a strict separation of male and female roles: a man had to earn the money and be active in public life, while the only role for a woman was to take care of her husband and children. Moreover politics and business in Ukraine have been domains for men or at least for those with men's characteristics, and women were allowed only to such areas as art, music and poetry (Woldan, 2009). The Dutch culture due to the influence of protestant church is feminine, and there is no big gap between men's and women's roles and values in the society. Masculinity is the Netherlands' lowest Hofstede Dimension, it's score is only 14. Ukraine does not score very high in this dimension as well; however, it scores higher than the Netherlands, 40.

Long Term Orientation (LTO) is the extent to which people value persistence, thrift, and order in relationships. This dimension was included in the framework much later. The Netherlands scores 44 in this dimension. Unfortunately, there is no information about Ukraine in this aspect; however, according to Woldan (2009), Ukraine is a short-term orientation country. First of all, because of the long influence of the Orthodox church (whose main idea to make a progress but not to change (Woldan, 2009) in the past. And second of all, because of the contemporary unstable economy. The Dutch prefer short-term relations and this may be caused by historical conditions,

when they have been travelling around the world in order to conquer new lands and trade goods. Travelling was much more dangerous in the past therefore the Dutch people preferred short-term relations. Besides, a short-term orientation of the Dutch might be indirectly connected to individuals' preference not to build relationships with business partners. Figure 1 represents a difference between Dutch and Ukrainian cultures in all four dimensions, in some considerable and in some only till certain extent. However, due to this distinctness I expect to find the differences in the way people from these two countries negotiate.

Figure 1

The Hofstede Model: the Netherlands vs. Ukraine



Culture is also proved to influence negotiation styles and tactics people implement while negotiating; this issue and more particularly if negotiators in different cultures have the same ethical evaluation of negotiation tactics has been largely discussed in bargaining literature (Lewicki and Robinson, 1998; Volkema, 1999, 2004; Volkema & Fleury, 2002). The influence of culture on negotiation styles will be discussed in the next section.

Cultural Affects on Negotiating Styles and Tactics

To identify cross cultural differences in negotiating styles scholars usually focus on selected aspects of negotiators' behaviour called negotiation factors. Salacuse (1999) defines negotiating styles as the way people with different cultural background behave during negotiations. In his study

Salacuse (1998) explores international negotiating styles and gives the range of possible cultural responses to each of them. The researcher developed a questionnaire and distributed it to over 300 business executives, lawyers, and graduate students from 12 countries – Argentina, Brazil, China, France, Germany, India, Japan, Mexico, Nigeria, Spain, UK and USA. The participants were asked to rate their own attitude towards each of the features on a five-point scale, after that the questionnaires were analyzed and the results were calculated. Table 1 represents the negotiation factors the researcher used in his survey and the possible cultural responses to them.

Table 1

Research Framework Proposed by Salacuse for Determining the Negotiating Styles

Negotiation Factors	Cultural Responses
Goal	Contract OR Relationship
Attitudes	Win/Lose OR Win/Win
Personal Styles	Informal OR Formal
Communications	Direct OR Indirect
Time Sensitivity	High OR Low
Emotionalism	High OR Low
Agreement Form	Specific OR General
Agreement Building	Bottom Up OR Top Down
Team Organization	One Leader OR Consensus
Risk-taking	High OR Low

In this study I am interested whether culture as a joining unite of a community influences individuals' behaviour within a negotiation process and their perception of possible and acceptable behaviour during a negotiation process (thus, how far a person can go is closely connected to his perception of ideal outcome of the negotiation, i.e. win-win or win-lose outcome). Besides, I am interested in the role of emotions during negotiation process. Thus, framed by the theme of this study, only three negotiation factors will be discussed further in the paper: attitudes, emotionalism and risk-taking.

Salacuse (1998) states that culture impacts individuals' attitudes within a negotiation process, i.e. a person's perception of a negotiation process where both parties gain, or one party gains and another one loses; the possible cultural responses are win-win or win-lose. According to Katz (2007), the Dutch view negotiations as a joint problem-solving process, they believe in the concept of win-win and that is why they are open to compromise during any form of negotiation (Vossestein, 2008). This predisposition to a compromise and tolerance dates back to the XVII century, when the Netherlands was a Republic and consisted of seven provinces with their own laws and decentralized power. In order to make any kind of decision or resolution, the regents had to make a lot of concessions and be extremely tolerant towards their counterparts (Van der Horst, 2001). Ukrainians, on the other hand, prefer to employ distributive and contingency bargaining; they view negotiating as a zero-sum game in which only one part can win (Katz, 2007). Moreover, as their eastern neighbours the Russians, the Ukrainians are considered to be strongly competitive negotiators (Freedman & Katz, 2008). Serscikov (2010) states that managers/negotiators from Western countries prefer a win-win strategy when both parties are ready to compromise to get a mutual decision. Negotiators/managers from post-Soviet countries prefer win-loss strategy as in Soviet culture a compromise was seen as a weakness.

Emotionalism means that emotions are shown openly at negotiations, and decisions are based on emotional factors (Salacuse, 2003). The Dutch tend not to show their emotions and separate them from business relations (Trompenaars, 1997). Katz (2007) in his turn, points out that the Dutch prefer to state their opinion clearly but unemotionally, thus keeping the rational and emotional sides of the character separate during working hours. Due to the impact of the protestant faith in the Netherlands, the Dutch society is an activity-centred society. In activity-centred societies people tend to operate on a cognitive mode, and public expression of feelings is undesirable (Laungani, 1999). Ukrainians, on the other hand, are considered to be the people with the priority of

“the heart” above “the head” (Shulman, 1999), people who do not separate emotions from business relations (Bondarenko, 2008) and tend to show them openly in public. However, an open display of emotions is sometimes negatively connected to collectivism (Oyserman, Coon, & Kemmelmeier, 2002; Wellenkamp, 1995), as being a part of a group implies control of an individual’s emotions for the sake of a group’s harmony and well-being. This implication will be discussed further in the paper.

Moreover, the Netherlands scores lower than Ukraine on uncertainty avoidance, this may mean that Ukrainian negotiators are risk averse and the Dutch are risk takers. On the other hand, Weber and Hsee (1998) suggest that people from collectivistic cultures are more risk taking than people from individualistic cultures. Van der Horst (2001) supports this idea stating that “avoid the risk” is one of the Dutch mottos. Thus based on the theoretical framework, it is difficult to state whether the Dutch or the Ukrainian negotiators tend to take more risky decisions. In this study we aim to answer this question.

Ethics in Negotiations: Deception

Due to several reasons information is considered to be one of the most crucial elements in negotiation (McMillan, 1992; Carnevale & Pruitt, 1993; Shell, 1999). Firstly, information sharing signals trust and understanding between the parties, and as a result may lead to a better negotiation outcome (Volkema et al., 2004). Secondly, information is seen as a source of power and thus, the more information one side has the more powerful and dominant its position is (Lewicki, Saunders, & Minton 1999; Schelling, 1960; Brodt, 1994). Thus, often negotiators face the dilemma of how much information to share with another party. This information can be of two types, valid/relevant and invalid/ irrelevant (Volkema et al., 2004). Sharing invalid/irrelevant information, i.e. misrepresenting facts, giving false promises, bluffing or deceiving, is considered to be one of the unethical strategies which negotiators adopt to gain more or defend their ground within bargaining

situation. In this study I am interested in deception, as one of the unethical bargaining strategies, and more particularly, in the impact of culture on the attitude, usage, and reaction to deception in negotiation. Deception is a negotiator's attempt to "manipulate the opponent's logical and inferential processes, in order to lead the opponent to an incorrect conclusion or deduction" (Lewicki & Robinson, 1998). There are three commonly recognized reasons why negotiators resort to the usage of deception: greed, competition, and experienced injustice (Lewicki, Litterer, Minton, & Saunders, 1994; Murnighan, 1991). Firstly, it is believed that a person's desire to increase his own outcome can be stronger than his desire to be fair and cooperative (Boles, Croson, & Murnighan, 2000). Secondly, Seybolt and Murnighan (1990) have proved that most of the negotiators despite of anything want to do better than their counterpart. Thirdly, negotiators who experienced injustice may also use deception as a reciprocal step. Moreover, Straub and Murnighan (1991) suggest that negotiators tend to deceive in a case when another party does not know the real size of the shared pie, like in ultimatum bargaining games. People making offers in ultimatum bargaining games offer their counterpart much less money when those do not know the real amount of divided money. However, this behavior can backfire when people feel unfairly treated or deceived (Messick & Sentis, 1983; Pillutla & Murnighan, 1996). In these cases they want to punish their deceiver. There is also a number of other factors that can affect the use of unethical tactics, among which the background and demographic characteristics of negotiators (i.e. gender, age and culture), the personality characteristics (i.e. competitiveness vs. cooperativeness, Machiavellianism), and elements of the social context (the situation in which the negotiators find themselves) that encourage or discourage unethical behaviour within negotiation context (Lewicki, et al., 2010). People from different cultures differ in the use and perceived appropriateness of ethically ambiguous negotiation tactics (Elahee, Kirby, & Nasif, 2002; Volkema, 1999, 2004; Volkema & Fleury, 2002). Hofstede (1980, 1989) and Lituchy (1997) for instance, state that the individualism/ collectivism compound

impacts work values, communication, and the distributive behaviour of people. While collectivist people tend to trust their in-group members and behave cooperatively towards them (Hsu, 1983), they behave very competitively towards out-group members. On the other hand, people from individualistic cultures do not make distinctions between in-group and out-group members, and the way they negotiate more likely depends on the strategy their counterpart choose (Kelley & Stahelski, 1970) rather than on belonging to in or out-group. Moreover, people from strong uncertainty-avoidance cultures are suspicious of foreigners; people from low uncertainty-avoidance cultures are more open to foreigners (Hofstede, 1980), and thus, I assume that the level of trust to strangers in Dutch society may be higher than the level of trust in Ukrainian society. Mikheyev (1987) confirms this theory and states that for “homo soveticus” everyone outside a narrow circle of friends was seen as an enemy, who only wants to take advantage of others. Serscikov (2010) examining Russian negotiation styles points that Russians do not trust each other and that is why every negotiating process for them is a tough and manipulative play. Furthermore, prior work (Pinkley, 1990; Carnevale & Pruitt, 1992) suggests that win-framed negotiators (Ukrainian, in this case), unlike cooperate-framed ones (Dutch in our case), are more likely to employ ethically questionable tactics. Moreover, it is suggested that power distance is directly connected to perceived appropriateness and probability to use competitive and questionable negotiation behaviours. People in high power distance cultures are more tolerable to unethical behaviour (bribery, cheating) and thus may use unethical negotiation tactics more often than people from individualistic cultures (Getz & Volkema, 2001). Moreover, Volkema (2004) suggests that people from countries with more masculine cultures indicated a higher likelihood of engaging in questionable information collection behaviours. We believe in a positive correlation between a competitive approach to negotiations and preference to use unethical tactics and this is why we assume that Ukrainian negotiators will deceive their counterpart more often than the Dutch. Based on the theory, I assume that firstly, due to the

lack of trust in the counterpart, Ukrainian negotiators will reject the offer made by the counterpart, more often than Dutch negotiators. Secondly, because of negotiating with out-group member and being win-framed negotiators, Ukrainians will try to deceive their opponent more often than the Dutch.

H1: Ukrainian negotiators will reject offers from their counterparts more often than the Dutch

H2: Ukrainian negotiators will deceive each other more often than the Dutch ones

Retaliation of Deception

Deception is not always beneficial to the deceivers. Research proves that deception is seen as inappropriate and undesirable behaviour and may lead to retaliatory deception from the counterpart (Boles et al., 2000; Brandts & Charness, 2003). This kind of behaviour is called reciprocity, and is defined as the tendency to mirror someone else's behaviour (Gouldner, 1960). Reciprocity can be either cooperative or retaliatory (Pruitt, 1968; Komorita & Esser, 1975). Research shows that negotiators mirror both cooperative and competitive strategies of their counterpart (Frazier & Rody, 1991). Using a cooperative strategy, a negotiator believes that making concessions will make the other party to do alike (Pruitt, 1991). A competitive strategy, on the other hand, such as making an extreme opening offer, will lead the other party to respond with a tough counteroffer (Bartos, 1974). Thus, trust is built between the negotiators as a function of the positive reciprocity (Pruitt & Lewis, 1977). However, trust is very sensitive and easily affected, and once it becomes questionable or lost, it is hard to build it again. This may sooner or later lead to negative reciprocity, as when being deceived, the betrayed party can retaliate. The motivation for retaliating here is the violation of the reciprocity norm. In the case of negotiation, violating the norm of reciprocity is seen as a self-interested attitude, which is the typical view that most negotiators hold (Maxwell, Nye, & Maxwell, 2003). A feeling of injustice can lead an individual to taking a revenge on a person who betrayed him (Bies & Tripp, 1997) as the desire to take revenge is a basic human passion (Frijda, 1994).

We expect deceived negotiators to retaliate by deceiving their counterparts irrespectively from their cultural background since retaliation is a basic human reaction to deception. Thus, I assume:

H3: Deceived negotiators will retaliate by deceiving their counterpart independently from their cultural background

It is necessary to point out that the same emotional state can lead to different behaviour in different cultures (e.g. Mesquita, Frijda, & Scherer, 1997), and this may be explained by the existence of display rules concerning emotional expression. I suppose that retaliation of deception can also be framed by cultural background. As Louneva (2010) states, Ukraine is a very low trust environment which lacks institutional framework and as a result, nobody trusts anyone and always expects to be cheated. She suggests that Ukrainians use deceptive tactics very frequently and more interestingly, they expect their counterpart to use them as well. Dutch institutional structures possess several characteristics that support the formation of trust and co-operation. According to Den Butter and Mosch (2001), there seems to be a character trait in the Netherlands that is favourable to co-operation and consensus; in other words, there seems to be a sort of “basic trust” among people (Hussein, 1996). The protestant faith gave this basis for honest and trustful underlay in the country. Implementing this in negotiation context, I suppose that people who tend to trust their counterpart from the beginning, and who were deceived would retaliate more often than those who don’t trust the opponent from the start. Thus:

H4: When deceived Dutch negotiators are more likely to retaliate than Ukrainian ones

Role of Emotions in Negotiation: Anger

What is crucially important to keep in mind is that negotiation is often a highly emotional and heated process; usually emotions are innate to negotiation and social conflict (Davidson & Greenhalgh, 1999) and are important in order to understand how individuals behave within bargaining situations (Barry & Oliver, 1996). However, the role of emotions has received only

limited attention in the bargaining literature (Van Dijk, Van Kleef, Steinel, & Van Beest, 2008; Lewicki et al., 2010).

In the bargaining literature one may find many definitions to *emotions* most of which according to Lazarus, (1991) point to three main features of emotions: physiological reactions, action tendencies, and subjective experience. Research on emotions in negotiation is usually divided into two categories of studies: those of *intrapersonal effects* (i.e. the influence of a negotiator's emotions on his/her own negotiation behaviour) and those of *interpersonal effects* (i.e. the influence of a negotiator's emotions on the behaviour of his counterpart). In my research I am interested in interpersonal effects of emotions, i.e. the affect of anger on negotiation process and its outcomes. Interpersonal effects of emotions are considered to have important functions in negotiation (Barry & Oliver, 1996; Morris & Keltner, 2000; Thompson, Nadler, & Kim, 1999). Firstly, according to Keltner & Haidt (1999) emotion display tends to evoke complementary or reciprocal emotions in others that help people to orient within the society. Secondly, emotions are a special type of communication to both oneself and other people (Oatley & Johnson-Laird, 1987) which transmits the information about how one feels about things (Ekman, 1993; Scherer, 1986) and about one's intentions towards other people (Knutson, 1996). Thirdly, emotions can serve as a ground for other individuals' social behaviour (Klinnert, Campos, Sorce, Emde, & Svejda, 1983). The effects of anger and especially whether it has positive effects or backfires in negotiation have been studied by many researchers (e.g., Sinaceur & Tiedens, 2006; Hess & Blairy, 2001). Research suggests (for instance, Friedman et al., 2004) that expressions of anger by one party triggered anger from the other party, reducing the chances for a successful settlement of the dispute. Therefore, we assume:

H5: Negotiators' emotions will be changed in a negative way when dealing with an angry opponent (reciprocity effect)

As previously stated in the paper, cultural background may influence both the process of negotiation and its outcome; besides, it may also influence the way people perceive and react to anger display during negotiation. Unfortunately, there are no studies which examine the role of anger and its influence on Dutch and Ukrainian negotiators. However, based on national and business cultures of the countries we may assume the consequences of negotiation with an angry opponent. As mentioned before, the Dutch culture presupposes a certain level of trust in the society (Den Butter & Mosch, 2001; Katz, 2008, Hofstede, 1980) while Ukrainian does not; moreover, people actually expect to be deceived any time (Louneva, 2008; Hofstede, 1980). Being deceived leads to negative emotions (Skarlicki & Folger, 1997), however, if one already expected to be deceived he/she may be less aggressive and disappointed than the one who did not. It is because there was no trust and faith between the partners from the beginning. Besides, Gudykunst and Ting-Toomey (1988) suggest a negative correlation between power distance and injustice as a predisposition to anger. They claim that people in high power distance cultures expect and take for granted injustice and inequality, while the last are not acceptable in low power distance cultures. Thus, we assume:

H6: Deceived Dutch negotiators will be more aggressive than deceived Ukrainian negotiators.

On the other hand, Knutson (1996), Sinaceur and Tiedens (2006), and Van Kleef, De Dreu and Manstead (2004a) point out positive effects of anger display in bargaining: an angry counterpart is perceived to be dominant, tough or ambitious, and thus negotiators concede more often to an angry opponent than to a happy or unemotional partner. However, Van Dijk et al. (2008) found out that anger is less likely to elicit concessions when another party either has opportunity to respond with deception (misrepresent his/her own interests, for instance) or has little at stake and thus little to lose from having the angry opponent say “no” to an offer. Thus, anger can backfire, and negotiators who interacted with an angry opponent will deceive them. Based, on the framework, we assume that

people negotiating with an angry opponent will accept an offer more often than those who negotiate with a neutral one despite the cultural background. However, when having a chance to deceive an angry counterpart, negotiators will do that more often than those who interacted with a “neutral” one.

H 7: people who negotiate with an angry opponent will accept an offer more often than those who negotiate with a neutral one.

H 8: negotiators who are confronted with an angry opponent will deceive more often than those who are confronted with a neutral one, independently from their cultural background.

Method

To test the hypotheses and answer the questions asked in the previous section an experiment was set up. Participants were asked to play a repeated ultimatum game (UG) based on the Boles et al. (2000) approach.

The Dutch version of the interface (Van de Laarschot, 2011), which was the initial version, was translated into Russian by the researcher. Russian was chosen as the language of the experiment as it is the second official language in Kharkiv, the city where the experiment was conducted, and most of the population there speaks it as the mother language. In general, two separate studies were conducted, the Dutch and the Ukrainian version with Dutch and Ukrainian participants respectively. However, the Ukrainian version is a full replication the Dutch study but with two differences: the participants and the language of the experiment. The experiment with Dutch participants was conducted by another researcher (Van der Laarschot, 2011). The data for the Ukrainian study were collected from February, 19 to the March, 10, 2011; while the data from the Dutch one were collected from September, 10, 2010 to February, 23, 2011.

Design and Participants

The experiment employed a 2 (“angry” versus “neutral” condition) x 2 (“deception” versus “honest” condition) x 2 (the Dutch versus Ukrainians) between-subjects design. Dutch participants were told that they were playing against Dutch participants, and Ukrainian participants thought they were playing against Ukrainian students. However, all participants played against a computer, which now will be called a “counterpart”. In total, there were four experimental conditions: angry & honest condition; neutral & honest condition; angry & lying condition; and neutral & lying condition. Conditions “angry” and “neutral” were used in order to examine the influence of anger on a negotiator’s emotions and on the outcome of the negotiations. Participants in an “angry” condition played with an angry opponent in the first round, and participants in the “neutral” condition played with a neutral opponent. The conditions “lying” and “honest” were used to study the influence of honesty/ deception on the outcome of the negotiations. Participants in a “lying” condition were deceived by their opponent in the first mini game, as the division of the money would turn out to be dishonest. In a “neutral” condition, the division of the money by the counterpart was honest and there was no deception. Conditions “angry & lying” and “angry & honest” were used to examine the interaction of anger and deception in negotiation.

A total of 245 participants took part in the experiment: 123 Dutch, either students from Tilburg University or others (46 male and 77 female), and 122 Ukrainian students (69 male and 53 female) from Kharkiv National Polytechnical University, Kharkiv National University and Kharkiv National University of Radio Electronics. The Ukrainian participants took part in the experiment for monetary compensation, 40 Ukrainian hryvnias (roughly equivalent to 4 euro) paid to them in cash. The Dutch participants did it for course credits or as volunteers’. Ukrainian participants’ age ranged from 18 to 27 with a mean age of 21.32, SD = 2.51. Dutch participants’ age ranged from 18 to 70 with a mean of 29.16, SD = 12.74. All participants were randomly assigned to the same-sex experimental conditions.

Procedure¹

Experimental sessions lasted for 20 minutes and included 4 participants per one session. Participants came to a computer laboratory and were assigned to one of the four experimental same gender conditions (females: 14 in Angry & Honest Condition, 13 in Neutral & Honest Condition, 13 in Angry & Lying and 13 in Neutral & Lying Condition; males: 17 in Angry & Honest Condition, 19 in Neutral & Honest Condition, 17 in Angry & Lying Condition and 16 in Neutral & Lying Condition).

One researcher was present at all sessions. Participants received an oral and written overview of the experimental procedure. They were told that they would be interacting with the same partner in two mini negotiations (games), that the negotiations would be conducted via computer and they would see their opponent via camera (during the first game) but he/she wouldn't see them. Moreover, they were instructed that during the first negotiation the opponent would offer them a specified amount of money and they would have to either accept or reject it. An acceptance would lead to a division of the money as offered by the proposer; a rejection would mean that both negotiators would receive nothing. In the first negotiation participants did not know the amount of money their opponent was to divide, and in the second negotiation participants were told that their counterpart would not know the sum he had to divide. Besides the money that an opponent offered a participant, he also specified how he divided the money. In all 4 conditions the statement "I give you the same amount of money I keep for myself" went along with the amount of divided money. But in Conditions 3 & 4 the pre-programmed opponent lied because the sum of money was divided not equally: sending the statement "I give you the same amount of money I keep for myself" an opponent gave much less to a participant. After a participant accepted or rejected an offer, he/she could see the real divided sum of money. After the first game, the second one would follow where

¹ The procedure which is described below, describes the experiment with Ukrainian participants. For information concerning Dutch version of the experiment and the procedure, please, read Van der Laarschot (2011)

the participants would have to make an offer and to decide how to divide money (48 euro) between him/her self and an opponent and it would be up to their opponent whether to accept or reject an offer. Besides the money participants also had to choose one of five offered frames which had to go along with the money amount and which would specify how they divide the money (see Appendix A and B for Russian and English versions of the description of the experiment). The frames from which the participants could choose were the following:

1. I give you much more than I keep for myself. You will get [XX] €
2. I give you a little bit more than I leave for myself. You will get [XX] €
3. I give you the same amount of money as I leave for myself. You will get [XX] €
4. I give you a bit less than I keep for myself. You will get [XX] €
5. I give you much less than I keep for myself. You will get [XX] €

Thus, participants were given a possibility to deceive an opponent by lying how they would divide the money. In addition, participants were told that before and after game 1, and after game 2 they would have to fill in the questionnaire about their emotional state (an adaptation of Likert Scale of Van Kleef et al., 2004b) (see Appendix C and D for Russian and English versions of the questionnaire) and about the last of an opponent (Van Kleef et al., 2004b) (see Appendix E and F for Russian and English versions of the questionnaire). Besides, when participants finished the negotiations, they would have to fill in a Self-Reported Inappropriate Negotiation Strategies (SINS) Scale (Robinson, Lewicki, & Donahue, 2000) (see Appendix G and H for Russian and English versions of the questionnaire), two questionnaires constructed by Van der Wijst and Krahmer (2010) to test aggressiveness and fairness (see Appendix I, J, K and L for Russian and Dutch versions of the questionnaires), and negotiations styles questionnaire (an adaptation of the Negotiation Style Profile, Glaser & Glaser, 1991) (see Appendix M and N for Russian and English versions of the

questionnaire). Participants were also told that the one who would gain the highest score in both games would get a price.

The experiment began with participants filling in their name, gender, age and education. After this, they were asked to check a connection with their counterpart by replying on the message he has sent to them. Having checked the connection, the participants could see the fake explanation of the purpose of the experiment on the screen (they were told that its main goal was to investigate how media influences a negotiation process). Afterwards they had to fill in a questionnaire about their emotional state at that moment. Later participants read the explanation and the rules of games. Then the actual experiment started, and the participants played two games and filled in a few questionnaires afterwards. The computer saved all the messages, offers, acceptances, and rejections. At the end of the experiment the participants were paid and asked to sign the document as a proof of their participation in the study.

Measures

Before the first game, a pre-test of participants' emotions was conducted. This test was the same for each condition of the experiment. Participants had to answer questions to report their emotional state at the moment (Cronbach's Alpha = .82, 6 items). An example item from the questionnaire is: "At this moment I am angry" (where 1 is "not at all" and 7 "very much"). After the first game, the participants had to fill in the same questionnaire to report their emotional state (Cronbach's Alpha = .83, 6 items) and the emotional state of their counterpart (Cronbach's Alpha = .87, 6 items). After the game 2, two questionnaires constructed by Van der Wijk and Krahmer (2010) were used to test both aggressiveness (Cronbach's Alpha = .68, 6 items) and fairness (Cronbach's Alpha = .94, 6 items). An example item for aggressiveness was: "I would like to hurt my opponent" and for fairness: "I thought that the first offer was fair". Besides, Robinson et al. (2000) SINS Scale was used to test the participants' attitude towards unethical bargaining

(Cronbach's Alpha = .74, 14 items). An example item that was measured was: "You make an opening demand so high/low that it seriously undermines your opponent's confidence in his/her ability to negotiate a satisfactory settlement".

Results

In this study, we examined whether there was a difference between people with different cultural background in relation to their perception and reaction to anger display and unfairness in negotiation. In this section, the results of the data analysis will be described, and on the basis of them my hypotheses will be either confirmed or rejected.

Effects of Culture

Acceptance/Rejection of the Offer

In the study, during game 1, participants had to choose whether they would accept or reject the offer made by their counterpart. The hypothesis was that Ukrainian negotiators would reject their counterparts' offers more often than Dutch ones. An independent-Samples Mann-Whitney U test showed that there was no difference between Dutch and Ukrainian negotiators in acceptance or rejection of the offer ($p = .806$). 88 Dutch participants (71.5%) accepted the offer, and 35 (28.5%) rejected it. As for Ukrainian negotiators, 89 participants (73%) accepted the offer and 33 participants (27%) rejected it. Thus, the hypothesis in which we assumed that Ukrainian negotiators would reject their counterparts' offers more often can be rejected (H1).

Deception

To determine the use of deception we compared the discrepancy between the chosen frame and the division of the money. As mentioned in the methods part, the participants had to send their proposal with a message that frames their offer. The following frames were used:

1. I give you much more than I keep for myself
2. I give you a little bit more than I keep for myself

3. I give you the same amount of money I keep for myself
4. I give you a little bit less than I keep for myself
5. I give you much less than I keep for myself

To examine the use of deception by participants, we had to set the ranges for the division of 48 euro. If a negotiator chooses the frame 1, he should give not less than 30 euro to this opponent otherwise he will deceive him. In case a proposer chooses the frame 2, he should give his counterpart not less than 25 euro. When a proposer goes for the frame 3, he should divide the money equally, 24 euro he should leave for himself and 24 give to this opponent. In case a negotiator chooses the frame 4, he should give his opponent not less than 23 euro. Finally, if a proposer chooses the frame 5, he should offer his opponent not less than 18 euro. Table 2 represents the criteria's for deception determination.

Table 2

Determination of deception

Frame	Proposer's part	Respondent's part	Deception if
I give you much more than I keep for myself	≤ 18	≥ 30	division < 30
I give you a little bit more than I keep for myself	≤ 23	≥ 25	division < 25
I give you the same amount of money I keep for myself	$= 24$	$= 24$	division < 24
I give you a little bit less than I keep for myself	≥ 25	≤ 23	division < 23
I give you much less than I keep for myself	≥ 30	≤ 18	division < 18

Having attached the money division and the frames, we could determine the cases with deception. A proposer deceived his counterpart in case he chose a frame which didn't correspond to the pre-set

money division. Firstly, we checked if there was a difference between both groups in the way they divided the money between themselves and their opponents. It turned out that Ukrainians gave a little bit more money to their opponents than the Dutch (M (Ukrainian) = 19.84, SD = 5.519, M (Dutch) = 18.59 SD = 5.511). Secondly, we examined if there was a difference between the groups in their frame choice. An independent Samples Mann-Whitney U test revealed no significant difference in this respect (p = 0.90). However, a close look at the results showed that Ukrainian negotiators didn't chose the fifth frame a single time, while Dutch did, even though only 5 (4.1%) of them did so. Besides, 22 (18%) of Ukrainian negotiators used the second frame, while only 11 (8.9%) of Dutch negotiators preferred it. Table 3 describes the frame choice of Dutch and Ukrainian negotiators.

Table 3

The frame choice of Dutch and Ukrainian negotiators

Frame	Dutch Negotiators	Ukrainian Negotiators
I give you much more than I keep for myself	6 (4.9%)	7 (5.7%)
I give you a little bit more than I keep for myself	11 (8.9%)	22 (18%)
I give you the same amount of money that I keep for myself	66 (53.7%)	59 (48.4%)
I give you a little bit less than I keep for myself	35 (28.5%)	34 (27.9%)
I give you much less than I keep for myself	5 (4.1%)	-

Now, when we know which group preferred which frame we can determine who, Dutch or Ukrainian negotiators, deceived their opponents more often. We hypothesized that Ukrainians would cheat each other more often than the Dutch. This turned out to be not the case. Our analysis revealed that 68 Dutch participants (M = 7.33, SD = 4.159) and 59 Ukrainian participants (M = 7.86, SD =

5.286) cheated their opponents ($F(1,127) = .351, p = .555$). Thus, this hypothesis cannot be accepted (H2). However, a close look at the discrepancy between the frames and money division (means for both groups) showed that deception rate chosen by Ukrainian participants was a little bit higher than deception rate chosen by Dutch participants.

Retaliation

We hypothesized that, when deceived, Dutch negotiators would retaliate more often than Ukrainians. Our results revealed that there was no difference between Dutch and Ukrainian negotiators in terms of retaliation ($M(\text{Dutch}) = 8.27, SD = 4.172; M(\text{Ukrainian}) = 8.94, SD = 5.512; F(1,127) = .045, p = .833$). Thus, we reject this hypothesis (H3).

Besides, we checked how fair (or not fair) both groups perceived game 1 and game 2. First of all, the analysis revealed that both groups of participants perceived game 2 fairer than game 1 ($M(\text{game 1}) = 4.23, SD = 2.241, M(\text{game 2}) = 4.62, SD = 1.968, t(245) = -2.48, p = 0.01$). More detailed analysis of game 1 revealed a large effect for honesty ($F(1,245) = 422.458, p < .00$). Besides, the Ukrainians tended to see the process of the 1st negotiations fairer than the Dutch ($M(\text{Dutch}) = 5.82, SD = 1.058, M(\text{Ukrainian}) = 6.22, SD = 1.323, F(1,245) = 3.09, p = .080$). However, this is only a tendency. As for negotiation process 2, no difference between the two groups' perceived fairness was found ($F(1,245) = 1.848, p = .175$). However, there was a large effect for honesty ($F(1,245) = 12.191, p = .001$) and a tendency for an anger effect ($F(1,245) = 3.692, p = .056$). In addition, we examined Dutch and Ukrainian negotiators' preferences for competitive and cooperative behaviour. An independent samples t- test showed no difference between Dutch and Ukrainian negotiators in terms of their preference for cooperative strategies in negotiation ($M(\text{Dutch}) = 5.16, SD = 1.20, M(\text{Ukrainian}) = 5.33, SD = 1.27; t(243) = -1.068, p > .05$). However, a significant difference was obtained between Dutch and Ukrainian negotiators in term of competitive strategies. The analysis showed that Ukrainians favoured competitive strategies more than the Dutch ($M(\text{Dutch}) = 4.50, SD$

= 1.25, M (Ukrainian) = 5.21, SD = 1.01; $t(243) = -4.900$, $p < .05$). Moreover, we checked whether there was a difference between Dutch and Ukrainian negotiators in the perceived appropriateness of unethical behaviour. An independent samples t- test showed no difference in this respect (M (Dutch) = 3.40, SD = 1.06, M (Ukrainian) = 3.19, SD = 1.16; $t(243) = 1.519$, $p > .05$). A close look at the data, however, revealed a difference in the strategies negotiators from two countries preferred.

Table 4 shows the results of the test and the difference between Dutch and Ukrainian negotiators' perception of appropriate unethical tactics (the tactics that did not differ are not displayed in the table).

Table 4

The difference between Dutch and Ukrainian negotiators' perception of appropriate unethical tactic

Tactic	Language	M	sd	P
Promise that good things will happen to your opponent if he/she gives you what you want, even if you know that you can't (or won't) deliver these things when the other person's cooperation is obtained.	Dutch	2.39	1.424	.000
	Ukrainian	3.58	1.738	
Make an opening demand that is far greater than what you really hope to settle for.	Dutch	5.26	1.674	.000
	Ukrainian	3.85	2.084	
Convey a false impression that you are in absolutely no hurry to come to a negotiated agreement, thereby trying to put time pressure on your opponent to concede quickly.	Dutch	4.69	1.640	.000
	Ukrainian	3.68	1.985	
In return for concessions from your opponent now, offer to make future concessions which you know you will not follow through on.	Dutch	2.17	1.259	.013
	Ukrainian	2.64	1.637	

Deny the validity of information which your opponent has that weakens your negotiating position, even though that information is true and valid.	Dutch	3.84	1.743	.015
	Ukrainian	3.28	1.810	
Make an opening demand so high/low that it seriously undermines your opponent's confidence in his/her ability to negotiate a satisfactory settlement.	Dutch	3.28	1.576	.001
	Ukrainian	2.55	1.706	
Guarantee that your constituency will uphold the settlement reached, although you know that they will likely violate the agreement later.	Dutch	2.61	1.418	.003
	Ukrainian	3.20	1.660	

Note. $p < .01$

Effects of Deception

Retaliation

We hypothesized that deceived negotiators would retaliate by deceiving despite their cultural background. The analysis revealed that indeed when deceived negotiators retaliated by deception (M (honest) = 5.80, SD = 4.453, M (dishonest)) = 8.65, SD = 4.683, $F(1,127) = 10.759$, $p = .001$). Thus, the hypothesis that deceived negotiators would retaliate their deceivers can be confirmed (H4).

Effects of the Counterparts' Emotions

Negotiators' Perception of a Counterpart

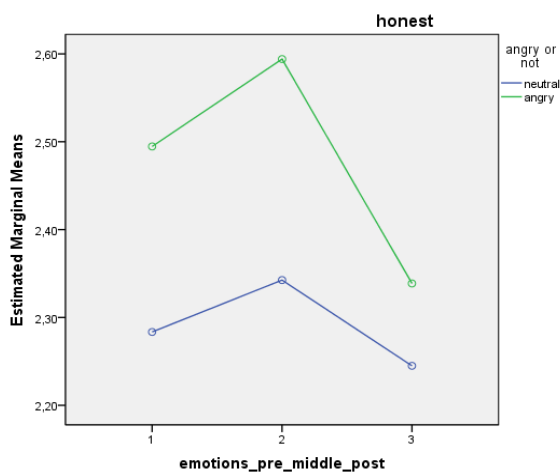
In two out of four conditions participants faced an angry opponent. The results of an independent-sample t-test showed a success of the manipulation, both groups perceived their opponent in an angry condition as angry. However, Ukrainian participants identified a counterpart in an angry condition as being angrier than Dutch participants even though they saw the same video

during negotiation (M (Dutch) = 3.74, SD = 1.48; M (Ukrainian) = 4.11, SD = 1.07; F = 12.10, p < .05).

To check the way negotiators are influenced by their counterparts' emotions, first of all, we examined whether negotiators' emotions changed in a negative way when they interacted with an angry opponent. General Linear Model analysis showed a difference between participants' emotions before and after game 1, and after game 2 (M (after game1) = 2.30, M (after game 2) = 2.55, M (after game 3) = 2.63, $F_{2,243}$ = 13.792, p < 0.01). Besides, there was an interaction between the emotions of an opponent and honesty (of their counterpart) ($F_{2,243}$ = 7.360, p = 0.01, η^2 partial = .03), but there was no interaction between the emotions of the opponents and anger display by their counterpart ($F_{2,243}$ = .013, p > 0.01, η^2 partial = .00). Thus, the hypothesis that negotiators' emotions change in a negative way when they interact with an angry opponent was not confirmed (H5). However, we found that the negotiators' emotions were influenced when they were deceived by their opponent. Figures 2 and 3 illustrate the difference in participants' emotions before/ after game 1 and after game 2 in "honest" and dishonest" conditions.

Figure 3

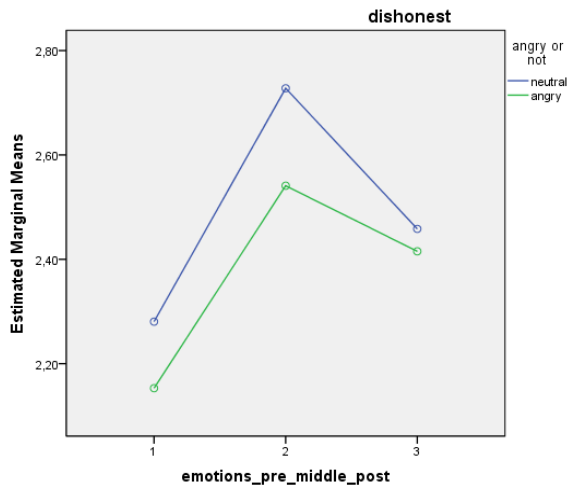
Variation of emotions before/after game 1 and after game 2 in "honest" condition



Note. The higher the mean the angrier were participants

Figure 4

Variation of emotions before/after game 1 and after game 2 in “dishonest” condition



Note. The higher the mean the angrier were participants

Besides, we hypothesized that Dutch negotiators would be more aggressive than Ukrainian ones when deceived by their counterpart (H6). The results of the conducted analysis revealed no significant difference between Dutch and Ukrainians in the reported aggressiveness (M (Dutch) = 2.32, SD = .840; M (Ukrainian) = 2.34, SD = .882; t (245) = -.136, p = .892).

Anger and its Effects on Acceptance/Rejection of the Offer

Furthermore we examined whether anger affects participants' choice of rejecting or accepting the offer. The results of t-test showed that Dutch negotiators' choice of acceptance or rejection of an offer didn't depend on a condition they were in. In a neutral condition 44 (72.1%) participants accepted an offer and 17 (27.9%) did not, and in an angry condition 44 (71 %) participants accepted an offer and 18 (29%) did not. Ukrainian negotiators were influenced by an angry opponent in an unexpected direction. Offers made by an angry opponent were accepted less than those made by a “neutral” one: in a neutral condition 50 (82%) offers were accepted and 18 (29%) rejected, while in an angry condition 39 (63.9%) offers were accepted and 22 (36.1%)

rejected. Thus, our results did not support our hypothesis of positive correlation between anger and acceptance of the offer (H7).

Anger and its Effects on Deception

Besides, we checked whether anger influenced the participants' choice for money division between themselves and their counterpart. The analysis revealed that honesty ($F(1,243) = 40.304, p = .00$) but not anger ($F(1,243) = .148, p = .701$) influenced the way negotiators divided money. Moreover, no interaction was found between anger and honesty in negotiators' choice of money division ($F(1,243) = .009, p = .923$). Furthermore, we supposed that those negotiators who confronted an angry opponent would deceive more often than those who confronted a "neutral" one. However, our analysis revealed that anger didn't influence the participants' choice for deception; 66 participants in a "neutral" condition and 61 participants in an "angry" condition deceived their opponent ($M(\text{neutral}) = 7.57, SD = 4.771, M(\text{angry}) = 7.59, SD = 4.670; F(1,127) = .012, p = .911$). Besides, we didn't find any interaction between anger and cultural background in participants' choice for deception ($F(1,127) = .440, p = .508, \eta^2 \text{ partial} = .004$). Thus, we have to reject this hypothesis (H8).

Discussion and Conclusion

Effects of Culture

Acceptance/Rejection of the Offer

Many post Soviet countries, like Ukraine, are considered to have a very low level of trust in the people. People not only mistrust each other, they actually expect to be treated unethically and dishonestly (Louneva, 2010; Serscikov, 2010). The Dutch people on the other hand, are seen both by foreigners and by themselves as too direct but honest (Vossestein, 2008; Van der Horst, 2001). This can be explained by the highly religious past of the country as well as by a stable and prosperous economy (Alesina & La Ferrara, 2002). Besides, people from individualistic countries are more

tolerable and open to strangers than people from collectivistic countries (Hsu, 1983). Based on the above mentioned facts, we assumed that Ukrainian negotiators would reject offers made by their counterparts more often than Dutch negotiators would. However, we found no difference between the Dutch and Ukrainians in the number of rejected offers. Actually, the number of accepted and rejected offers within the two groups was almost the same. Do these results mean that cultural background is not the best way to predict a level of trust to the counterpart or a business partner within different societies? On the one hand, it is strongly advised by many negotiation experts not to overestimate the cultural differences between people (i.e. Lewicki et al., 2010). Such characteristics as age, gender, education and past experience are also proved to correlate with trust. Alesina & La Ferrara (2002) for instance, found that people have more trust in those individuals whom they perceive similar to themselves. In our experiment, most of the participants were students who were told they would negotiate with other students. We cannot neglect a possible influence of this factor on participants' choices. On the other hand, a tendency for Ukrainian participants to rather trust than mistrust their counterparts may indicate deep changes in Ukrainian society which started to take place after the "fall of the iron curtain" in 1991. The Orange revolution of 2004 was the first sign of Ukrainian society willingness to move towards the West (Woldan, 2009; Shulma, 1998). Even though trust is seen as an essential element in human relations, it always involves elements of risk and doubts (Lewis & Weigert, 1985). Perhaps a relatively high percentage of accepted offers in both groups can be also explained by negotiators' readiness to take risks.

Deception

We assumed also that Ukrainian negotiators would deceive their opponents more often than Dutch ones. Our results didn't support our hypothesis. However, we found a difference in respect of frame choice and amount of the divided money. Ukrainian participants did not use the 5th frame ("I give you much less than I keep for myself"), when 5 Dutch participants did. Besides, Ukrainians

chose the frame 2 (“I give you a little bit more than I keep for myself”) twice more often than the Dutch. It would be groundless to make any sort of conclusions from such a small number of differences between the frames. A future research should definitely be done as the present results clearly point at the differences between the two groups in this respect. We also found a small difference between the two groups’ choice of money division. Ukrainian participants gave their opponents a bit more money than their Dutch colleagues did. This difference was also not significant, thus a future research should be done. Now it seems that Ukrainian negotiators have a tendency to be on a safe side and chose those frames and divide the money in a way that has a lower possibility to be rejected. Or they tend to behave more altruistically, i.e. give a partner a chance to benefit more than they do.

In this study we also examined which negotiation styles Dutch and Ukrainian negotiators would prefer. Our results revealed that Dutch negotiators scored high in their choice of a cooperative style of negotiation. Ukrainian negotiators scored significantly higher than Dutch in their choice of competitive style. What we didn’t expect to find was that Ukrainian negotiators also preferred a cooperative style. This preference for cooperation within Ukrainian youth can be a signal of the post Soviet changes in the society discussed above. Besides, our analysis revealed no significant difference between the Dutch and Ukrainians in their attitude towards unethical behaviour in negotiation. However, a close look at separate answers on SINS scale survey disclosed a considerable difference between the two groups. Dutch negotiators mostly favoured such tactics as “time pressure”, “extreme opening” and intentional denial of valid information. These tactics are classified by Freedman and Katz (2008) as “pressure tactics”. Ukrainian negotiators on the other hand, preferred promising something (concessions in the future, profit or constituency’ support) that they knew would not happen in the future. These tactics are called “deceiving tactics” (Freedman & Katz, 2008). The age variation between the two groups for example might have played a role in this

difference. Anton (1990) for instance, states that older people tend to see bluffing tactics as more appropriate than deceiving tactics. Even though the age difference was not that big we still do not have to ignore its possible influence. Besides, the difference between the number of male and female participants in both groups should not be ignored. There were more female Dutch participants (77 Dutch vs. 53 Ukrainian) than Ukrainian, and according to some studies (i.e. Terpstra, Rozell, & Robinson, 1993; Weeks, Moore, McKinney, & Longenecker, 1999) women have higher ethical standards than men. However, the main idea we want state is that it is a set of factors that influences a negotiators' conduct, and it is important not to over- or underestimate each of them.

Effects of Deception

Emotions' Change and Aggressiveness as Affects of Deception

Our results revealed that the emotions of deceived negotiators from both groups were significantly changed in a negative way. This goes along with a study by Aquino (1998) who found out that detected deception causes negative emotions. Moreover, we predicted that Dutch negotiators would be more aggressive when deceived than their Ukrainian colleagues. However, we did not find a difference in this aspect. Thus, a feeling of fairness and justice seem to be universal and it reciprocates a certain level of aggressiveness in each person despite his cultural background. It is possible that some differences between people from different cultures exist in terms of their reaction to deception. However, our results did not reveal it. Thus, a future research should be conducted in this respect.

Retaliation

As hypothesized, deceived negotiators despite their cultural background retaliated their deceivers. This happened because it is a basic human desire to punish those who cheated them (Bies, Tripp, & Kramer, 1997; Frijda, 1994). However, we expected that Dutch negotiators would retaliate more often their deceivers. We did not find proof for this hypothesis. An interesting thing to discuss

here and something we did not expect to find out from the beginning of our experiment was the difference between the fairness of negotiations 1 and 2 as perceived by participants. Both groups of the negotiators stated that negotiation 2 was fairer than negotiation 1. First of all, this proves that people perceive revenge as a natural reaction to deception (Bies et al., 1997; Frijda, 1994). And secondly, individuals evaluate themselves as being fairer than others (Liebrand, Messick, & Wolters, 1989). Besides, Ukrainians tended to see game 1 as fairer than their Dutch colleagues. However, this was only a tendency and a more deep research should be conducted to capture a difference in perceived fairness by both groups.

Effects of the Counterparts' Emotions

Negotiators' Perception of the Counterparts

The results of our study show that negotiators are not always influenced by the emotions of their opponent. In our study, the emotions of negotiators who had to deal with an angry counterpart did not change in a negative direction. This result contradicts the reciprocity theory. The reliability analysis confirmed the consistency of the questionnaires: participants indeed perceived an angry opponent as angry. One of the possible explanations may be that people are not influenced by their opponent's emotions, or at least by anger, when they are negotiating via a computer. It might be that negotiators did not feel threatened because they were physically far away from their opponent. And thus, his emotions did not influence a negotiator, and did not play a big role within a negotiation process. We believe that this assumption should be studied further. There is growing evidence that an online negotiation differs from a face to face negotiation in many aspects (Barry, Fulmer, & Van Kleef, 2004, for instance); and nowadays more and more negotiations are conducted via telephone, e-mail or Skype. Talking about aggressiveness of a counterpart, we should notice that surprisingly, Ukrainians perceived their counterparts in an "angry" condition as being angrier than their Dutch colleagues. This result is striking (as the participants watched the same videos), but explainable.

Firstly, people from different countries perceive emotions and their intensity differently (Ekman, Friesen, & Ellsworth, 1972). Secondly, because people from collectivistic cultures treat out-group individuals with more caution and suspicion than people from individualistic cultures, they could exaggerate the level of aggressiveness of the last.

Anger and its Effects on Acceptance/Rejection of the Offer

It is assumed that an angry negotiator is seen as more dominant, tough and ambitious and thus gets more concessions from his partner. Our results revealed an opposite effect. Dutch negotiators were not influenced by an angry opponent. Ukrainian negotiators on the other hand, did behave differently in “neutral” and “angry” conditions. However, they did it in an unexpected way. Those who negotiated with an angry opponent rejected more offers than those who negotiated with a “neutral” opponent! For a few reasons this behaviour could be expected for Dutch participants. Firstly, an open display of emotions in business is not welcomed in Dutch society, and people may prefer to punish it. Secondly, as the Netherlands is a very low power distance country, people might not be afraid to punish those who according to them deserve it. However, we did not expect it for Ukrainian participants. A possible explanation for this may be a correlation of rejection of an offer and the perceived aggressiveness of the counterpart. Ukrainian participants perceived their counterpart as angrier than the Dutch ones. Another explanation for this behaviour is the fact that due to a high power distance in society, Ukrainians usually do not have a chance to punish those who are aggressive towards them. In our game they had a chance to do it as they knew that their behaviour would not be punished later. However, a detailed research should be conducted where it would be possible to ask the participants, for instance, why they rejected an offer.

Anger and its Effects on Deception

We assumed that negotiators in an “angry” condition would deceive their opponent more often than those in a “neutral” condition. However, our results did not prove this hypothesis. A

possible explanation for our results may be first of all, previous experience of the participants (who are liberal to emotional displays of their partners). As we have seen before, anger display also did not influence the emotions of participants. Second of all, anger display may impact negotiators differently depending on the channel of communication used. Thus, a more detailed research is needed in order to answer this question.

The present study aims to deepen the knowledge about the way culture frames the way people from different countries negotiate. We did manage to prove an existing link between cultural background and different negotiating styles and tactics. Besides, our study can serve as a framework for future examination of Dutch and Ukrainian negotiation peculiarities, and their comparison. Furthermore, this study can be used as a background literature for cross cultural traineeships courses which are getting more and more popular.

Limitations and acknowledgements

The present study has a few limitations which should be taken into account. First of all, it is the setting of the experiment. As the games in the experiment were fictive the participants might have behaved differently than they would behave in a real negotiation setting. Besides, the money they had to divide was not real as well. In a real situation there is a possibility of a different money division as “real” money would be at stake. In our experiment negotiators did not get the money they divided, and thus they could have just preferred to behave cooperatively (as it was easier) rather than to fight for it. Thus, in a future research this fact can be taken into account and one can set up the experiment in a way that negotiators get the money they negotiated over. This setting looks more like a real life situation and thus it may evoke “more real life” behaviour. Another recommendation for a future research may be a cross-cultural negotiation setting where Dutch negotiators would interact with Ukrainian negotiators. Negotiators behave differently when they deal with partners from their country than when they interact with foreigners (Drake, 1995). Besides, there is a limited

amount of scientific literature about Ukrainian business culture and negotiation behaviour in particular. Thus a few research questions were based on Soviet but not Ukrainian negotiation behaviour. However, for more than 20 years Ukraine is an independent country and its traditions and customs, even culture might have gone through some changes. Even though we did not manage to confirm all our hypotheses we did manage to prove that there is a link between culture and people's behaviour within a negotiation setting, and we discovered new topics for those who are interested in a future research.

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Appendices

Appendix A

Description of the experiment– Participant Briefing

Дорогой/Дорогая...

Сейчас Вы будете вести два пары коротких переговоров с (имя собеседника) и делить между собой определенную сумму денег. Старайтесь сделать так, чтобы вам досталась большая сумма денег. Переговоры будут вестись через компьютер.

Во время данных переговоров ваш собеседник сделает вам предложение, как он хочет разделить эти деньги и скажет Вам, сколько Вы получите. Вы должны решить принимаете Вы его предложение или нет. Будьте внимательны, если Вы не принимаете его предложение, вы оба не получаете ничего! Если Вы принимаете его, то деньги, заработанные Вами, будут перечислены на Ваш счет.

После этого, Вы будете вести вторые переговоры, где Вы будете сами делать предложение о разделении денег, а Ваш партнер будет решать, принимает он его или нет. Сумма, которую Вы будете делить во время обоих переговоров, колеблется от 10 до 50 евро. Деньги, которые Вы заработаете во время переговоров, своего рода баллы в этой игре. Они не настоящие. Однако участник, который набрал наиболее количество баллов, получит приз.

Appendix B

Negotiation Case – Participant Briefing (English version)

Dear...

Now you are going to take part in two mini negotiations with (name of the opponent) and divide a particular sum of money. Try to earn as much as possible. The negotiations will be conducted by the means of a computer.

During the first negotiation your opponent will decide how to divide the money and then tell you what you get. You will have to decide whether to accept or reject the offer. Note: if you don't accept the offer, you both won't get anything. In case you accept the offer, that sum of money will be added to your total score.

Afterwards, the second mini negotiation will follow, and YOU will make an offer and your opponent will decide whether to accept it. The amount to be distributed during the two negotiations varies from 10 till 50 euro. That money is a score in the game. However, a participant with the highest score will win the price.

Appendix C

Emotions Survey after game 1 and 2 (Russian version)

В данный момент я чувствую, что я:

Зол

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

Раздражен

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

В плохом настроении

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

Подозрителен

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

Счастлив

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

Удовлетворен

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

В хорошем настроении

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

Appendix D

Emotions Survey after game 1 and 2 (English version)

At this moment I feel myself:

Angry

Not at all

1 2 3 4 5 6 7

Very

Irritated

Not at all

1 2 3 4 5 6 7

Very

In a bad mood

Not at all

1 2 3 4 5 6 7

Very

Suspicious

Not at all

1 2 3 4 5 6 7

Very

Happy

Not at all

1 2 3 4 5 6 7

Very

Satisfied

Not at all

1 2 3 4 5 6 7

Very

In a good mood

Not at all

1 2 3 4 5 6 7

Very

Appendix E

Emotions Survey (of the opponent) (Russian version)

Во время переговоров мой собеседник был:

Зол

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

Раздражен

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

В плохом настроении

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

Счастлив

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

Удовлетворен

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

В хорошем настроении

Ни капельки не	1 2 3 4 5 6 7	Очень
----------------	---------------	-------

Appendix F

Emotions Survey (of the opponent) (English version)

During negotiation my counterpart was

Angry

Not at all	1 2 3 4 5 6 7	Very
------------	---------------	------

Irritated

Not at all	1 2 3 4 5 6 7	Very
------------	---------------	------

In a bad mood

Not at all	1 2 3 4 5 6 7	Very
------------	---------------	------

Happy

Not at all	1 2 3 4 5 6 7	Very
------------	---------------	------

Satisfied

Not at all	1 2 3 4 5 6 7	Very
------------	---------------	------

In a good mood

Not at all	1 2 3 4 5 6 7	Very
------------	---------------	------

Appendix G

SINS questionnaire (Russian version)

Вы обещаете, что ваш собеседник получит выгоду, если он даст вам то, что вы хотите, даже если вы знаете, что вы не можете (или не желаете) выполнить свое обещание при возможном сотрудничестве с ним.

Не согласен

1 2 3 4 5 6 7

Согласен

Вы намерено говорите заведомо ложную информацию своему собеседнику, что бы Ваша позиция/аргументация казались сильнее во время переговоров.

Не согласен

1 2 3 4 5 6 7

Согласен

Своим последователям Вы намеренно даете другое представление о переговорах, что бы предотвратить тот факт, что другие могут узнать о наименьших деталях переговоров.

Не согласен

1 2 3 4 5 6 7

Согласен

В начале переговоров Вы ставите требование, которое на самом деле намного выше того, на что Вы надеетесь.

Не согласен

1 2 3 4 5 6 7

Согласен

Стараясь произвести (обманное) впечатление, что у вас много времени, Вы пытаетесь пробудить в собеседнике чувство нехватки времени, тем самым быстрее склоняя его/ее к компромиссам.

Не согласен

1 2 3 4 5 6 7

Согласен

В обмен на согласие Вашего собеседника сделать что-то сегодня, Вы обещаете в будущем принять его предложение, заведомо зная, что Вы этого не сделаете.

Не согласен

1 2 3 4 5 6 7

Согласен

Вы опровергаете информацию, которую использует Ваш собеседник, что бы ослабить Вашу позицию в переговорах, хотя Вы и знаете, что эта информация правдива.

Не согласен

1 2 3 4 5 6 7

Согласен

Своим последователям Вы намеренно даёте ложное представление о переговорах, что бы укрепить в их глазах Вашу позицию.

Не согласен

1 2 3 4 5 6 7

Согласен

В начале переговоров Вы ставите настолько нереальное условие, что Ваш собеседник начинает серьезно сомневаться в возможности удовлетворительного результата.

Не согласен

1 2 3 4 5 6 7

Согласен

Вы гарантируете, что Ваши последователи примут достигнутое во время переговоров согласие, хотя вы знаете, что в будущем они, скорее всего, нарушат это соглашение.

Не согласен

1 2 3 4 5 6 7

Согласен

Appendix H

SINS questionnaire (English version)

Promise that good things will happen to your opponent if he/she gives you what you want, even if you know that you can't (or won't) deliver these things when the other person's cooperation is obtained.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

Intentionally misrepresent information to your opponent in order to strengthen your negotiating arguments or position.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

Intentionally misrepresent the nature of negotiations to your constituency in order to protect delicate discussions that have occurred.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

Make an opening demand that is far greater than what you really hope to settle for.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

Convey a false impression that you are in absolutely no hurry to come to a negotiated agreement, thereby trying to put time pressure on your opponent to concede quickly.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

In return for concessions from your opponent now, offer to make future concessions which you know you will not follow through on.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

Deny the validity of information which your opponent has that weakens your negotiating position, even though that information is true and valid.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

Intentionally misrepresent the progress of negotiations to your constituency in order to make your own position appear stronger.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

Make an opening demand so high/low that it seriously undermines your opponent's confidence in his/her ability to negotiate a satisfactory settlement.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

Guarantee that your constituency will uphold the settlement reached, although you know that they will likely violate the agreement later.

Completely unacceptable

1 2 3 4 5 6 7

Completely acceptable

Appendix I

Aggressiveness Survey (Russian version)

Мне бы хотелось оскорбить своего собеседника.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Мне бы хотелось поругать своего собеседника.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Мне бы хотелось чаще работать с моим собеседником.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Мне бы хотелось причинить боль своему собеседнику.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Я помог бы своему собеседнику, если бы у него были проблемы.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Мне бы хотелось выставить своего собеседника дураком.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Appendix J

Aggressiveness Survey (English version)

I would like to insult the other person.

Totally disagree

1 2 3 4 5 6 7

Totally agree

I would like to call the other person names.

Totally disagree

1 2 3 4 5 6 7

Totally agree

I would like to cooperate more often with the other person.

Totally disagree

1 2 3 4 5 6 7

Totally agree

I would like to hurt the other person.

Totally disagree

1 2 3 4 5 6 7

Totally agree

I would like to help the other person if he/she has problems.

Totally disagree

1 2 3 4 5 6 7

Totally agree

I would like to make a fool of the other person.

Totally disagree

1 2 3 4 5 6 7

Totally agree

Appendix K

Fairness Perception Survey (Russian version)

Я считаю, что первое предложение было честным.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Я считаю, что первое разделение суммы было честным.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Я считаю, что первые переговоры были честными.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Я считаю, что процесс первых переговоров прошел честно.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Я считаю, что второе предложение было честным.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Я считаю, что второе разделение суммы было честным.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Я считаю, что вторые переговоры были честными.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Я считаю, что процесс проведения вторых переговоров прошел честно.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Appendix L

Fairness Perception Survey (English version)

I found the first offer fair.

Totally disagree 1 2 3 4 5 6 7 Totally agree

I found the first division fair.

Totally disagree 1 2 3 4 5 6 7 Totally agree

I found the first negotiation situation fair.

Totally disagree 1 2 3 4 5 6 7 Totally agree

I found the process of the first negotiation situation fair.

Totally disagree 1 2 3 4 5 6 7 Totally agree

I found the second offer fair.

Totally disagree 1 2 3 4 5 6 7 Totally agree

I found the second division fair.

Totally disagree 1 2 3 4 5 6 7 Totally agree

I found the second negotiation situation fair.

Totally disagree 1 2 3 4 5 6 7 Totally agree

I found the process of the second negotiation situation fair.

Totally disagree 1 2 3 4 5 6 7 Totally agree

Appendix M

Negotiating Styles Survey (Russian version)

В переговорах, прежде всего, я хочу достичь хороших результатов

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Переговоры считаются удавшимися только в том случае, если обе стороны остались довольны их результатами.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Во время ведения переговоров, я чувствую себя настоящим бойцом.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Во время ведения переговоров, я стараюсь максимально увеличить общую прибыль как свою, так и своего партнера.

Полностью не согласен

1 2 3 4 5 6 7

Абсолютно согласен

Appendix N

Negotiating Styles Survey (English version)

In a negotiation I mainly want to get a good result myself.

Totally disagree

1 2 3 4 5 6 7

Totally agree

A negotiation is a real success, if both parties are satisfied.

Totally disagree

1 2 3 4 5 6 7

Totally agree

In a negotiation situation I am a real fighter.

Totally disagree

1 2 3 4 5 6 7

Totally agree

In a negotiation I try to maximize the shared profit of my opponent and me.

Totally disagree

1 2 3 4 5 6 7

Totally agree