NEGOTIATION BY LEADERS IN THE PRESENCE OF THEIR DELEGATES
AND BY DELEGATES IN THE PRESENCE OF THEIR LEADERS

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Negotiation by Leaders in the Presence of Their Delegates

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Abstract

Following a preliminary testing session for assessing individual risk preferences on the choice-dilemmas task, subjects (8 at a time) were constituted as 4 leader-delegate dyads with status randomly assigned. Dyads reached joint decisions on half of the choice-dilemmas items. Subjects were then recombined as all-leader and all-delegate groups. For half of these combinations, leaders were discussants and delegates were observers; roles were reversed for the other half. The discussants' task was to negotiate a consensus on all of the choice-dilemmas items. Delegate discussants relative to leader discussants consulted more with their former dyadic partner and more often failed to achieve consensus (deadlock). Magnitude of risky shift did not differ significantly between leader and delegate discussants. However, delegate observers advocated higher risk levels than their leader discussants, whereas delegate discussants and leader observers did not differ in risk preferences. Discussant-observer discrepancies in risk preference were consistent with differences in decision satisfaction. On the whole, the presence of observers seems to increase "loss of face" motivation in leaders and fears of sanction for deviation in delegates.
Surveys of research on the negotiation process (e.g., Sawyer and Guetzkow, 1965, pp. 464-520) reveal few empirical efforts to examine negotiation outcomes as a function of the negotiators' status in their respective reference groups. A recent attempt at such an examination is represented by Hermann and Kogan's (1968) study of the negotiation behavior of leaders and delegates. In that investigation, status differences were shown to have significant effects upon both the processes and products of negotiation. Leaders tended to adopt the position of one of their status peers, whereas delegates tended to seek a compromise position different from that held by any of their equals. Leaders manifested the oft-replicated risky shift effect in their group decisions (see Kogan and Wallach, 1967a, pp. 111-278) while delegates showed averaging effects. The foregoing findings suggested that the delegates were somewhat more constrained than their leaders in departing from prior reference-group positions. There were, however, incongruent elements in the overall pattern of results. In particular, delegates did not deadlock more than leaders.

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nor did delegates require more time to achieve consensus. The failure to obtain such leader-delegate differences weakens the argument that delegates are more constrained than leaders in arriving at decisions through negotiation.

An examination of this incongruity is one of the major aims of the present study. It should be noted that the Hermann-Kogan investigation was so designed that leaders and delegates had only limited accountability to each other. After the leader-delegate dyads had reached joint decisions, the subsequently constituted all-delegate and all-leader groups negotiated in separate rooms. It will be granted that the leaders and delegates were told that they would meet again in their original dyads to discuss the outcome of their respective negotiations. Since delegates and leaders could not observe each other's negotiations, however, each could advance a variety of reasons to justify departures from prior dyadic positions. In any case, the sanctions that the leaders could employ against the delegates were not especially aversive, and the forces that might make for "loss of face" in leaders vis-à-vis their delegates were not especially salient.

The present experiment has been deliberately designed to enhance the aversiveness of leader sanctions over delegates and the salience of "loss-of-face" considerations that leaders might experience in their relations with delegates. In terms of McGrath's (1966, pp. 101-134) model of the negotiation situation, the "forces toward own reference group" have been increased at the expense of "forces toward agreement." This has been accomplished by having delegates negotiate in the physical presence of their leaders and by having leaders negotiate in the physical presence of their delegates. In the opinion of the authors, the foregoing experimental situation is in no sense artificial.
Negotiation by delegates under real-life circumstances may not necessarily take place in the physical presence of leaders, but the latter often monitor every step of the negotiation proceedings, thereby limiting the delegates' freedom to exercise their own initiatives. Correspondingly, delegates are often directly available for consultation by leaders engaged in negotiation, for delegates may have specialized information or may have had prior negotiating experience with the delegates of one's adversary.

It is, of course, difficult to formulate a priori predictions of whether delegates will be more constrained by the presence of their leaders, or leaders more constrained by the presence of their delegates. This amounts to predicting whether face-saving processes in high status individuals are more or less limiting of freedom of action than fear of sanctions in low status individuals. The state of knowledge in the present domain is not sufficient to permit a prediction in either direction. For that reason among others, the present investigation is aimed more at discovering relationships than at strict testing of hypotheses. A variety of negotiation process and product variables are compared in the two types of negotiating groups. These include decision time, deadlocks, desire to consult with the observers, satisfaction with decisions, and magnitude of risky shift reflected in the negotiated consensus relative to prior individual and dyadic reference-group decisions. The use of the Kogan and Wallach (1964) Choice Dilemmas as negotiating material in the present

2Ideally, one would also like to examine delegates negotiating with and without their leaders present and leaders negotiating with and without their delegates present. Regrettably, limitations of time, funds, and subjects ruled out the implementation of such a "complete" design.
research allows for a further examination of the risky-shift phenomenon in a context of intergroup negotiation (see Hermann and Kogan, 1968; Lamm and Kogan, 1969).

In addition to comparisons of negotiating delegates and leaders, the design of the present investigation permits discussant-observer comparisons. Since the observers are exposed to all of the communications passing between the negotiating discussants, one can readily compare the impact of the negotiation proceedings on observers and discussants at various stages in the course of the experiment. Thus, it is possible to break off the discussion at a particular point in time and to obtain private judgments from both discussants and observers concerning preferred risk levels. Lamm (1967) has shown that an observer unacquainted with a discussion group will manifest as much of a risky shift as the group itself following a period of discussion. The present research should inform us whether comparable effects are obtained when the observers and discussants are at different status levels and have previously interacted.

A final concern of the present research is to examine the effect of prior dyadic commitment on negotiation outcomes. This can be accomplished by having discussants negotiate decisions for situations where there has been no prior dyadic agreement. These have been designated as "open" issues in contrast to the decision situations where dyadic positions exist (hereafter called "fixed" issues). "Open" issues imply that no prior team position need be defended. Discussion of such issues, therefore, has elements in common with intragroup decision making as opposed to the explicit intergroup negotiation occasioned by discussion of "fixed" issues. The "fixed-open" contrast, then, should prove informative with regard to the relative contribution of commitment to
specific team positions and more generalized role obligations as leader or
delegate. Druckman (1967, 1968) has claimed that the former is the major
cause of bargaining failures. In the context of risk taking, however, Lamm
and Kogan (1969) observed that general role obligations were of greater
importance than specific team commitments in respect to negotiation outcomes.
The present experiment offers a further examination of the issue.

In sum, the major purpose of the research reported here is to compare
the negotiating behavior of leaders and delegates under circumstances that
render salient the forces that typically inhibit the making of concessions at
the two status levels—maintenance of "face" in leaders and fear of sanctions
for excessive deviation in delegates. A secondary goal of the present work
is to examine the degree to which negotiating discussants and their observers
manifest a "meeting of minds." Is there a greater harmony of views when
leaders are discussants and delegates are observers, or vice versa? Finally,
the present research explores the extent to which any of the foregoing com­
parisons are affected by the presence or absence of prior team commitments
to specific negotiating positions.

Method

Subjects

A sample of 192 male student volunteers from the University of Mannheim
(Germany) served as paid subjects. Twenty-four experimental sessions were
conducted, each involving eight subjects.

Decision-Making Instrument

At a testing session several weeks prior to the experiment proper, sub­
jects filled out a 10-item version of the Kogan and Wallach (1964, Appendix E)
choice-dilemmas instrument (translated and, where necessary, adapted to the German cultural context). The original instrument contains 12 hypothetical life-like situations in which a protagonist has to choose between a more risky and a more conservative alternative. A subject's score on each item is the minimum odds of success (from 10% to 100% in the German version) he would demand for the more desirable risky alternative before recommending that it be chosen. These item scores are then summed to yield the total risk-taking score (smaller values reflecting greater risk-taking preferences). The two items that have consistently yielded cautious shifts—numbers 5 and 12—were dropped in the present study. The manner in which particular items were changed in adapting them to the German cultural context is discussed in Lamm and Kogan (1969). Only two of the ten items employed—numbers 4 and 6—were substantially modified.

**Procedure**

*Intragroup (dyadic) negotiation.* Upon arrival at the laboratory, subjects were given the choice-dilemmas booklets they had filled out previously and were given the opportunity to review their earlier decisions preparatory to the subsequent negotiation phase. Each set of eight subjects was then randomly paired off into four dyads, and each dyad was then taken to a separate cubicle. Written instructions were provided each dyad explaining that they constituted a leader-delegate team. Leader and delegate status was assigned on a random basis. As a first assignment each dyad was instructed to establish a team position on five of the choice-dilemmas problems. The experimenter informed the leaders that they were expected to guide the discussion, soliciting the
views of the delegate in arriving at a team decision but reserving for themselves the right to make a unilateral decision in the event of disagreement. Dyads were asked to avoid spending more than five minutes per item prior to decision. Upon reaching a decision (one of the ten possible probability values on the choice dilemmas), each member of the dyad recorded it on sheets provided for the purpose. Private ratings were also obtained from each dyadic partner concerning his perceived influence in the dyad and his satisfaction with the team position following the discussion of each item. Five- and seven-point rating scales, respectively, were provided for these private responses.

Intergroup negotiation: initial orientation. After all dyads had concluded their assignment, they were reassembled in a large room. Half of the subjects--either the four leaders or the four delegates (depending on experimental condition)--were seated around a conference table in the center of the room. They constituted the active participants ("discussants"). The other subjects ("observers") were seated in the periphery of the room opposite to their respective team partners. It was felt that the discussant-observer pairs should be able to see one another in order to maximize the effect of the latter's presence. The discussants were told that their task was to negotiate with one another--to have an exchange of views and reach a common position--on each of the five issues (choice-dilemmas problems) which they had just discussed within their respective teams. The instructions further specified that the negotiators should represent their team's position, but at the same time try to find an optimal solution to each problem. The latter objective was stated in order to provide some justification for departures from team positions; no optimal solution existed in fact. In the interest of enhancing
team motivation, team partners were informed that they would have a final postexperimental meeting to discuss their negotiation experience.

**Intergroup negotiation: discussants' negotiating activities.** Four minutes were allotted for the first phase of negotiation on each choice-dilemmas problem. During this phase, the negotiators presented their respective team positions and entered into a discussion of the problem intended to prepare the ground for an eventual agreement. The discussants were specifically instructed not to try to achieve a consensus in this first phase, however.

At the conclusion of this initial phase, the discussants privately recorded the positions they currently favored for their respective teams. The subsequent phase consisted of a three-minute consultation between each discussant and his "observer" partner. It was not required that the discussant explicitly inform his team partner (observer) of his private preconsultation decision. In this first consultation, each dyad was given the opportunity to formulate a revised team position (if it wished to do so) on the problem under negotiation. No explicit statement of a reaffirmed or revised team position was required, however. In this way, we hoped to preserve some flexibility for the discussant in his subsequent confrontation with the other negotiators. The leader-delegate role relation was maintained during the consultation period—that is, the leader again guided the discussion and had the final say in case of disagreement.

In the second negotiation period, the discussion was resumed under instructions to try, if at all possible, to achieve consensus within a three-minute period. If consensus was not reached within the time allotted, a second one-minute consultation with one's partner was permitted. The
discussants then returned to the conference table for a third and final negotiation session of one-minute (maximum) duration. If consensus was not achieved at the end of this period, a deadlock was declared and each negotiator noted down his preferred team position at that point. Following the termination of negotiations for each of the choice dilemmas, the discussants privately recorded their satisfaction (on a seven-point rating scale) with the negotiated outcome (group decision or deadlock).

Intergroup negotiation: observers' activities. The observers overheard all of the oral instructions given to their negotiating team partners and were able to see and hear everything that transpired in the actual negotiation. Some of the decisions and ratings made by the discussants were also required of the observers. Thus, the latter recorded their preconsultation decision--i.e., the position recommended for their team at the end of the first phase of negotiation. The observers then took part in the consultations described above, observed the second negotiation period, conferred with their partner (if necessary) in a second consultation, and in such case observed the final negotiation period. At the conclusion of negotiation on a problem, the observers recorded their preferred final position (which could or could not agree with the position reached by the negotiators). Finally, the observers indicated their satisfaction with the outcome of the negotiations on the same seven-point rating scale used by the discussants.

Intergroup negotiation: "open" issues. The sequence of activities just described was repeated for each of the five choice dilemmas on which the teams had initially established dyadic positions ("fixed" issues). Upon completing their negotiation on these issues, the five additional choice dilemmas
were offered for negotiation. No team positions existed for these items, but subjects had provided individual decisions at the preliminary testing session several weeks before. The two five-item sets were counterbalanced over the 24 experimental sessions so as to eliminate item content as a confounding source of differences. Negotiation instructions on "open" issues paralleled those for the "fixed" issues, though it should be noted that the discussants were representing personal rather than team positions in the first phase of the negotiation. Hence, the position favored by one's dyadic partner could only be learned during the consultation period.

**Intergroup negotiation: behavioral observations by experimenters.** Two female experimenters were in the conference room throughout the intergroup negotiations. One recorded the duration of each phase of the negotiations and the occurrence of deadlocks. The other concentrated on verbal participation rate—the number of utterances emitted by each of the discussants. The latter data are not treated in the present report.

**Postexperimental phase.** Upon conclusion of the negotiations for all ten choice dilemmas, discussants and observers were informed that final dyadic meetings would not take place due to pressure of time. No such final leader-delegate reunion was necessary for the purpose of the experiment, and more than three hours had elapsed up to that point. A brief postexperimental questionnaire was then administered. Discussants were also asked to provide private postdiscussion decisions for the ten choice-dilemmas items. Subjects were then released after pledging secrecy and receiving their remuneration.

**Overview of procedure.** A schematic outline of the sequence of experimental procedures is offered in Figure 1. The diagram is drawn for the condition in which leaders are discussants and delegates are observers. The
corresponding diagram for delegate discussants and leader observers would be identical. Figure 1 incorporates the dyadic phase. It will be recalled that dyadic discussions took place only for five of the choice dilemmas (fixed issues). Postdiscussion decisions were also obtained for discussants, but are not shown in Figure 1 as they occurred in the postexperimental phase of the study. The observers, on the other hand, offered their preferred team position immediately following the consensus or deadlock achieved by the discussants. Hence, the postdiscussion decisions of discussants and observers are not directly comparable.

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Insert Figure 1 about here

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Research Design and Statistical Analysis

The independent variables comprised (1) status—delegates vs. leaders; (2) participation role—discussants vs. observers; and (3) issue constraint—fixed issues (first negotiation series) and open issues (second negotiation series). The status and participation variables can also be viewed as the dyadic (intragroup) negotiation role and the intergroup negotiation role, respectively. The dependent variables consisted of duration of negotiation periods, use of the second consultation, frequency of deadlock, influence and satisfaction ratings, and magnitude of risky shift from dyadic and individual decisions to preconsultation and final negotiated outcomes.

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Insert Table 1 about here

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The complete design shown in Table 1 is not applicable for all dependent variables. There are numerous measures of negotiation product that could only be obtained from discussants. For most of these, analyses of variance
were applied to assess main and interactive effects of leader vs. delegate status and of negotiation on fixed vs. open issues. In those few cases where comparable measures were available for both discussants and observers, a complete analysis of variance could not be applied because of the unusual dependency across the diagonals (shown in Table 1). Such dependencies, of course, are an essential aspect of a design intended to answer the questions posed by the study. For the variables at issue, then, we employed analyses of variance for matched samples across the diagonal cells—a comparison on both fixed and open issues of (1) leader discussants and their delegate observers, and (2) delegate discussants and their leader observers. No comparison of leader vs. delegate observers was undertaken given the different inputs (discussions) to which they were exposed.

All data analyses have been carried out with the group as the unit. Since many of the dependent variables can only be expressed as group scores (e.g., final negotiated decision), all other scores have been converted into group form for analytic purposes by using the average of the four individuals comprising a group.

Results

Negotiation Variables

As only the discussants were directly involved in negotiation, the comparisons described below concern negotiating leaders and delegates, exclusively. The relevant means and standard deviations are presented in Table 2, and the outcomes of the analyses of variance are shown in Table 3.

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Insert Tables 2 and 3 about here
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Discussion time. Since time limits were imposed for the first and second negotiation periods, it is not surprising that both leaders and delegates used virtually all of the time available. For that reason, the time scores for the first two periods are not shown in Table 2. When the third (optional) negotiation period was corrected for the frequency of use of that period, no significant time differences were found between leaders and delegates for either fixed or open issues. It should be recognized, of course, that the one-minute time limit imposed upon the final negotiation period necessarily restricts the extent of time variation that can be expected.

Frequency of use of second consultation. It will be recalled that discussants could meet with their team partners for a second consultation if a consensus was not reached by the end of the second negotiation phase. Hence, the frequency of second consultations can be considered an index of "preliminary" deadlock. As Tables 2 and 3 show, delegates exceeded leaders in the desire for a second consultation before the final effort to achieve agreement. It can also be seen that the negotiators more often required a second consultation for fixed than for open issues.

Frequency of deadlock. As Tables 2 and 3 demonstrate, delegates were more likely than leaders to deadlock as opposed to reaching consensus. In addition, the fixed issues encouraged more deadlocking than did the open issues. It should be noted that deadlocking is not entirely independent of the use of a second consultation, for the option of ending negotiations in deadlock was available only in the third and final negotiating phase. Hence, the probability of deadlock necessarily increases with the use of a second consultation. Nevertheless, it is of interest that the ratio of deadlocks to opportunities
for deadlock was higher for delegates than leaders. On fixed issues, the relevant values are 80 and 67 per cent; on open issues, these percentages are 71 and 58 for delegates and leaders, respectively. In sum, delegates placed in the negotiator role experienced somewhat greater difficulty in achieving agreement than did leaders occupying that role.

**Risk-Taking Shifts**

It should first be noted that differences in baseline risk levels were nonsignificant for both leader-delegate and discussant-observer comparisons. This is in line with expectations, of course, for status and participation roles were randomly assigned.

For fixed issues, shifts in risk taking were assessed by subtracting pre-consultation decisions from prior dyadic decisions. For open issues, dyadic decisions were not required, and prior individual decisions hence were employed as a base line. The extent of both kinds of shifts is represented in Table 4. Any further shifts from preconsultation to final negotiated decisions were also examined in the case of both fixed and open issues. All analyses were carried out on group scores (group decisions or group averages).

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Insert Table 4 about here
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It should first be noted that all of the shifts shown in Table 4 were in the risky direction, seven of eight significantly so. The one nonsignificant shift was found in the leader discussants for open issues. Of interest also is the patterning of the mean shifts across the cells of Table 4. For both fixed and open issues, observing leaders relative to their negotiating
delegates preferred *smaller* shifts toward risk, whereas observing delegates relative to their negotiating leaders preferred *larger* shifts toward risk. However, as the analyses of variance in Table 5 indicate, only the difference between leader discussants and delegate observers was statistically significant. A separate analysis of variance focused on the difference between leader and delegate discussants yielded no significant status effect.

--- Insert Table 5 about here ---

Shifts from the preconsultation phase to the discussants' negotiated decision were in the risky direction, but uniformly nonsignificant. It will be recalled that observers' final decisions were made privately following the termination of negotiations. These private postdiscussion decisions could correspond to the consensus or deviate from it. Comparison of these postdiscussion decisions by observers with their prior preconsultation decisions again yielded nonsignificant differences. Finally, we examined the discussants' shifts from preconsultation to postexperimental private decisions. For delegates, these shifts were negligible. For leaders, a near-significant shift on open issues was obtained ($t = 2.09, p < .10$, two-tailed). It will be noted in Table 4 that the leader discussants on open issues manifested the weakest tendency toward a risky shift. This depression of the shift was maintained at the level of public consensus, but in subsequent private decisions the forces toward enhanced risk taking began to emerge.

In sum, with the possible exception of the case just described, the major portion of the risky shift occurred in the first round of group discussion. The actual negotiated decision and subsequent postdiscussion judgments simply incorporated the shifts that had taken place earlier.
Ratings

It will be recalled that subjects in the dyadic phase of the experiment rated both their perceived influence in the dyad and their satisfaction with the dyadic decision. To the extent that the leader-delegate status induction is successful, one should obtain higher influence and satisfaction ratings for leaders than for delegates. Such differences were in fact obtained ($t = 4.30, p < .001$ for influence; $t = 3.97, p < .001$ for satisfaction) indicating that the status induction appears to have worked. Leaders perceived themselves to be more influential than delegates, and given the former's greater voice in the determination of a final decision, it is not surprising that they expressed greater satisfaction with those decisions.

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Insert Tables 6 and 7 about here
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Consider next the satisfaction with the outcomes of the intergroup negotiation. The data are shown in Table 6, and the outcomes of the analyses of variance are offered in Table 7. The results are quite clearly in the direction of greater satisfaction on the part of discussants as opposed to observers, irrespective of whether leaders or delegates filled those roles. Note further that the satisfaction level is consistently and significantly lower for fixed than for open issues. This suggests that the participants are less dissatisfied when giving up personal positions than when forced to relinquish prior team positions. Finally, a separate analysis of variance comparing satisfaction levels of leader and delegate discussants yielded no significant status effect.
Discussion

Where the negotiation variables are at issue, the pattern of results clearly favors monitored leaders over monitored delegates in the capacity to avoid deadlock and reach consensus. Delegates are more prone than leaders to depend upon a second consultation with their team partners, but such consultation, by and large, seems to reinforce prior reference group positions rather than smooth the way toward a consensual agreement. Relative to the earlier Hermann and Kogan (1968) finding of no leader-delegate difference in deadlocking, the imposition of constraints upon leaders and delegates of the sort used in the present study exerts a more powerful effect upon delegates. Evidently, the presence of leaders is more inhibiting of concession-making for delegates than is the presence of delegates for negotiating leaders.  

Whereas the effects of leaders' presence upon delegates is manifested directly in terms of difficulty of achieving agreement, other evidence points to certain subtle effects upon negotiating leaders of having their delegates physically present. These latter effects are expressed through the phenomenon of the risky shift. In the Hermann-Kogan research, leaders exhibited the risky shift while delegates did not. Interpretation of that result emphasized the differential power implied by leader and delegate status, the latter having

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3 Statistical comparison of absolute levels of deadlocking in the two studies is not warranted given the subject nationality difference. For descriptive purposes, it can be noted that leaders and delegates exceeded their counterparts in the Hermann-Kogan study in frequency of deadlock by a factor of approximately 1.5 and 2.0, respectively.
more reason than the former to expect sanctions for sizeable deviation from reference-group positions.

As the results of the present study have shown, negotiation by leaders and delegates in one another's presence markedly alters the pattern of risk-taking shifts observed in the Hermann-Kogan work. Differences between leader and delegate discussants no longer obtain. In fact, the one instance of a nonsignificant shift concerns the leaders discussing the open issues.

The most interesting aspect of the risky-shift results is the discussant-observer discrepancy in risky-shift magnitude. Recall that these are shifts occurring prior to consultation, and hence are not influenced by any direct communication between discussants and observers. Where delegates are discussants and leaders are observers, the extent of shift in the two groups is of approximately equal magnitude. This is not the case when leaders are discussants and delegates are observers; the latter manifest significantly larger risky shifts. Since it is the discussion of the leaders that constitutes the stimulus input for the observing delegates, it can safely be assumed that the drift of the discussion favors enhancement of risk taking. Yet, surprisingly enough, leaders are more cautious than their delegate partners in extent of shift.

The foregoing finding represents the first time that observers have yielded stronger risky shifts than the groups under observation. Kogan and Wallach (1967b) using tape recordings of group risk discussions found that listeners manifested shifts about half the magnitude of the taped groups. When the observers can see as well as hear through the use of a one-way screen, their shift approximates that of the interacting groups being observed.
(Lamm, 1967). How then can one explain risky shifts in observers that exceed those generated by the groups under observation?

Of the four subgroups created by the experimental conditions, the delegate observers are lowest in power and responsibility. Though they can offer advice, the leaders are not compelled to accept it. Conceivably, the combination of low status and a passive role enables delegate observers to focus directly on the arguments raised in the first negotiation period in a context of little responsibility and accountability. If Kelley and Thibaut (1969, pp. 1-101) are correct in their argument that the rhetoric of risk is more persuasive and convincing than the rhetoric of caution, listeners with little at stake can afford to move in accordance with the more powerful rhetoric. The leader discussants in contrast cannot afford to be carried away by their own rhetoric, since they bear ultimate responsibility for the defense of their team positions.

One might wonder, of course, why suppression of risky shifts should be necessary when the recommended decision is rendered privately. In response, it must be noted that such private decisions are made just prior to consultation with one's delegate partner. It is hardly surprising that a leader would not wish to face his delegate in a consultation with a proposal for a drastic shift from an earlier dyadic position or from a position advocated at the beginning of the discussion. This would imply that the other leaders have reached better decisions and hence would engage "loss-of-face" motivation. Recall further that the final public negotiated decision differed but slightly from the private preconsultation risk levels, a finding consistent with the view that "loss of face" should, if anything, be a more potent influence on
public than on private decisions. That active suppression of shifts toward risk may be occurring in leader discussants is supported by the postconsensus private risky shifts observed in the case of open issues. These private decisions were obtained at the conclusion of the experimental session when one would expect "loss-of-face" considerations to be minimized.

The foregoing results bear some resemblance to the outcomes of the Lamm and Kogan (1969) study. In that investigation, elected representatives with ultimate responsibility for a decision (equivalent in some respects to the leaders of the present study) did not manifest the risky-shift effect, whereas nonrepresentatives defending the same team positions did produce significant risky shifts. As extent of accountability to one's reference group increases, differential concessions become more difficult and, as a consequence, risky shifts are rendered less likely. The claims of one's team or reference group takes precedence over both the social values presumed inherent in risk taking (Brown, 1965) and the more persuasive rhetoric that can be brought to bear in support of enhanced risk as opposed to enhanced caution (Kelley and Thibaut, 1969, pp. 1-101). A dissonant element in the picture is the presence of a significant risky shift for leader discussants in the case of fixed issues, though this shift was somewhat smaller than that yielded by the observing delegates.

Where delegates are discussants and leaders are observers, a different set of forces prevails. Unlike delegate observers who have neither power nor responsibility, delegate discussants have been given responsibility under conditions where they can be observed by those who hold power--the leaders in the present case. This is a condition where one would anticipate delegates to be
closely attuned to leaders' expectations of tolerable deviation from team positions. One would also expect leaders to monitor the ongoing negotiation in a most careful manner. As we have seen, delegate discussants and leader observers shift to about the same degree. Whatever the rhetoric of risk offered by the negotiating delegates, the observing responsible leaders are not carried away by it.

The substantial difference in satisfaction level for leader discussants and delegate observers is more or less consistent with the discrepancy in risk preference. The greater dissatisfaction of delegates evidently derives from their wish for decisions more risky than their leaders consider desirable. For leader discussants, larger risky shifts would imply greater concessions on the part of certain leaders. The "loss-of-face" aspect of such concession-making is evidently a sufficiently strong deterrent against enhanced risk to overcome whatever influence is exerted by delegates' high risk preferences. More difficult to interpret is the evidence that delegate discussants are somewhat more satisfied than their leader observers with the negotiated outcomes despite the absence of any difference in preferred risk levels. Conceivably, leaders are thereby protesting their passive role in the proceedings.

What are the implications of the present investigation for the interpretation of the risky-shift phenomenon? Two earlier studies (Hermann and Kogan, 1968; Lamm and Kogan, 1969) have demonstrated that a prevalent interpretation of the phenomenon (Brown, 1965) cannot account for the patterning of risk-taking shifts in the context of intergroup negotiation. There is nothing in the social-value and information-exchange processes presumed responsible for the
risky shift that should lead to differences between leader and delegate
groups or between groups of elected representatives versus nonrepresentatives.
In the present work, differences sometimes took the form of greater risk-
taking shifts in observers than in the interacting group under observation.
Again, social-value and information-exchange explanations cannot handle such
findings. It is quite clear that the particular pressures upon a negotiator
representing a reference group are different from those impinging upon a
group member responsible to no one but himself. The latter, of course, will
be more susceptible to the social value and rhetoric of risk; he can move
with the arguments. The former must constantly ask himself what his reference
group will consider acceptable.

A special contribution of the present research has been to point to the
unanticipated interaction between high vs. low status, on the one hand, and
an active vs. passive role on the other. Where leaders discuss and delegates
observe, a special disharmony results from a more cautious orientation on
the part of leaders relative to observing delegates. In contrast to their
delegates' shifts, leaders find it difficult to make such shifts because of
the "loss of face" entailed in making large concessions to other leaders.
Observing delegates can aim for an "optimal" decision; leader discussants
cannot entertain such a decision (if it contrasts sharply with a prior posi-
tion) because of a sensed loss of status.

More puzzling is the evidence for risky shifts in negotiating delegates
who are being observed by their leaders. In the Hermann-Kogan study, dele-
gates did not manifest risky shifts even though they were not under observa-
tion. An important procedural distinction between the two studies might
account for the observed difference. In the present experiment, leader and
delegate roles were randomly assigned. In contrast, a natural status distinc-
tion was involved in the Hermann-Kogan work, for leaders were older and of a higher college class than delegates. The pure "role-playing" feature of the present work undoubtedly exercised some effect. Conceivably, the expecta-
tion of a future meeting with a leader (who also occupies superior status in the real world) holds a greater threat of sanctions than does direct surve-
veillance by role-playing leaders who in reality are equal-status peers. Accordingly, the differential deviation necessary for risky shifts might have been less threatening for delegates in the present study than for delegates in the Hermann-Kogan research. Of course, these differences in the threat potential of natural status differences as opposed to peer surveillance could not have been anticipated prior to carrying out the experiment.

The major implication of the delegates' shift toward risk in the presence of leaders is the indication that disproportionate shifts from prior reference-group positions do not necessarily evoke leader disapproval. Indeed, leaders appear to shift their decisions in harmony with their delegates on the basis of the arguments advanced during the discussion. There is no evidence for a defensive affirmation of original positions on the part of observing leaders.

The distinction between fixed and open issues was introduced into the experimental design to assess the relative influence on negotiation outcomes of overall role assignment and commitment to specific positions. For the negotiation and satisfaction variables, there is clearcut evidence that prior dyadic commitment (fixed issues) contributes to a greater frequency of negotiation failure (deadlocks) and less satisfaction with the ultimate de-
cisions reached. Elimination of the prior commitment (open issues) facilitates
agreement and satisfaction. These findings are consistent with Druckman's (1967, 1968) observations that commitments to fixed positions, not reference group loyalty as such, contribute to bargaining failures. On the other hand, it will be recalled that the magnitude of risk-taking shifts did not vary significantly across fixed and open issues. In other words, even when the negotiators in the present study were required to reach agreement on issues for which no prior team position existed, their behavior continued to reflect adherence to the various roles assigned. The elimination of prior commitment to fixed positions clearly makes agreement more likely, but it certainly does not remove all of the constraints inherent in an intergroup negotiation setting.

A final cautionary note is in order. The Hermann-Kogan research employed American subjects; the present investigation used German subjects. Though both subject samples came from institutions with high selection standards, the nationality difference nevertheless constitutes an unknown in the research program described. The Lamm-Kogan experiment cited earlier also made use of a German sample. Though the outcomes of the three investigations show congruence, only replication studies explicitly focused on the nationality comparison will inform us whether German and American patterns of negotiation behavior are essentially the same.
References


Table 1
Design of the Study

<table>
<thead>
<tr>
<th>Role Status</th>
<th>Active</th>
<th>Passive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher</td>
<td>Leader Discussants</td>
<td>Leader Observers</td>
</tr>
<tr>
<td>Lower</td>
<td>Delegate Discussants</td>
<td>Delegate Observers</td>
</tr>
</tbody>
</table>

Note. -- \( N = 12 \) groups per cell. Arrows show comparisons of interest. Broken arrow indicates independent samples. Solid arrows linking diagonals indicate matched samples, each group of discussants coupled to a specific group of observers (former dyadic partners).


Table 2
Comparisons between Leader and Delegate Discussants on Negotiation Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Leaders (N = 12 gps)</th>
<th>Delegates (N = 12 gps)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>SD</td>
</tr>
<tr>
<td><strong>Discussion time (3rd period)</strong>&lt;sup&gt;a,b&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed issues</td>
<td>1.46</td>
<td>.46</td>
</tr>
<tr>
<td>Open issues</td>
<td>1.58</td>
<td>.20</td>
</tr>
<tr>
<td><strong>Use of 2nd consultation</strong>&lt;sup&gt;c&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed issues</td>
<td>2.70</td>
<td>.75</td>
</tr>
<tr>
<td>Open issues</td>
<td>2.24</td>
<td>1.00</td>
</tr>
<tr>
<td><strong>Deadlocks</strong>&lt;sup&gt;c&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed issues</td>
<td>1.82</td>
<td>.73</td>
</tr>
<tr>
<td>Open issues</td>
<td>1.29</td>
<td>.71</td>
</tr>
</tbody>
</table>

<sup>a</sup>For this variable, N = 8 and 11 groups for leaders and delegates, respectively. Four leader and one delegate group did not use the third negotiation period.

<sup>b</sup>Log transformation of total discussion time/no. of 3rd periods used

<sup>c</sup>Freeman and Tukey (1950) transformation
Table 3
Analyses of Variance for Negotiation Variables

<table>
<thead>
<tr>
<th>Source</th>
<th>Discussion time</th>
<th></th>
<th>Second consultation</th>
<th></th>
<th>Deadlocks</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>df</td>
<td>MS</td>
<td>F</td>
<td>df</td>
<td>MS</td>
<td>F</td>
</tr>
<tr>
<td>Between subjects</td>
<td>18</td>
<td>23</td>
<td></td>
<td>23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Status (A)</td>
<td>1</td>
<td>0.280</td>
<td>2.89</td>
<td>1</td>
<td>5.33</td>
<td>7.43*</td>
</tr>
<tr>
<td>Error</td>
<td>17</td>
<td>0.097</td>
<td>22</td>
<td>0.72</td>
<td>22</td>
<td>0.64</td>
</tr>
<tr>
<td>Within subjects</td>
<td>19</td>
<td>24</td>
<td></td>
<td>24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issues (B)</td>
<td>1</td>
<td>0.056</td>
<td>1</td>
<td>5.90</td>
<td>14.16***</td>
<td>1</td>
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<tr>
<td>A x B</td>
<td>1</td>
<td>0.007</td>
<td>1</td>
<td>0.68</td>
<td>1.64</td>
<td>1.39</td>
</tr>
<tr>
<td>Error</td>
<td>17</td>
<td>0.073</td>
<td>22</td>
<td>0.42</td>
<td>22</td>
<td>0.48</td>
</tr>
</tbody>
</table>

*P < .05
**P < .01
***P < .001
Table 4
Shifts in Risk Taking from Prior\(^a\) to Preconsultation Decisions

<table>
<thead>
<tr>
<th>Group</th>
<th>Fixed issues</th>
<th></th>
<th>Open issues</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(\bar{D})</td>
<td>(SE_d)</td>
<td>(t^b)</td>
<td>(\bar{D})</td>
</tr>
<tr>
<td>Leader discussants</td>
<td>1.77</td>
<td>.62</td>
<td>2.85**</td>
<td>.48</td>
</tr>
<tr>
<td>(N = 12 gps)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delegate observers</td>
<td>2.56</td>
<td>.38</td>
<td>6.66***</td>
<td>3.25</td>
</tr>
<tr>
<td>(N = 12 gps)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delegate discussants</td>
<td>1.69</td>
<td>.52</td>
<td>3.23**</td>
<td>2.44</td>
</tr>
<tr>
<td>(N = 12 gps)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leader observers</td>
<td>1.04</td>
<td>.50</td>
<td>2.07*</td>
<td>2.29</td>
</tr>
<tr>
<td>(N = 12 gps)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^a\)Dyadic decisions for fixed issues and individual decisions for open issues.
\(^b\)One-tailed tests since only shifts toward risk are predicted.

\(*_p < .05\)
\(**_p < .01\)
\(***_p < .001\)
Table 5
Analyses of Variance for Risky-Shift Comparisons

<table>
<thead>
<tr>
<th>Source</th>
<th>Leader discussants vs. Delegate observers</th>
<th>Delegate discussants vs. Leader observers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>df</td>
<td>MS</td>
</tr>
<tr>
<td>Between subjects</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Within subjects</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Status (A)</td>
<td>1</td>
<td>38.07</td>
</tr>
<tr>
<td>Error (A)</td>
<td>11</td>
<td>4.30</td>
</tr>
<tr>
<td>Issues (B)</td>
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<td>1.10</td>
</tr>
<tr>
<td>Error (B)</td>
<td>11</td>
<td>10.75</td>
</tr>
<tr>
<td>A x B</td>
<td>1</td>
<td>11.75</td>
</tr>
<tr>
<td>Error (AB)</td>
<td>11</td>
<td>4.77</td>
</tr>
</tbody>
</table>

*p < .05
Table 6

Self-Ratings of Satisfaction with Negotiated Outcomes

<table>
<thead>
<tr>
<th>Condition</th>
<th>Leader discussants (N = 12 gps)</th>
<th>Delegate observers (N = 12 gps)</th>
<th>Delegate discussants (N = 12 gps)</th>
<th>Leader observers (N = 12 gps)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean  SD</td>
<td>Mean  SD</td>
<td>Mean  SD</td>
<td>Mean  SD</td>
</tr>
<tr>
<td>Fixed issues</td>
<td>25.29  2.71</td>
<td>23.29  2.71</td>
<td>24.22  3.09</td>
<td>23.31  3.60</td>
</tr>
<tr>
<td>Open issues</td>
<td>28.00  1.52</td>
<td>24.67  2.81</td>
<td>27.29  3.24</td>
<td>25.06  2.71</td>
</tr>
</tbody>
</table>

Note.--Higher values reflect greater satisfaction. Ratings on 7-point scales were obtained after discussion of each of 5 items. S's score is the sum of the five ratings. Cell means are group scores consisting of the averages of the four Ss' individual scores.
Table 7

Analyses of Variance for Satisfaction Ratings

<table>
<thead>
<tr>
<th>Source</th>
<th>Leader discussants vs. Delegate observers</th>
<th>Delegate discussants vs. Leader observers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>df</td>
<td>MS</td>
</tr>
<tr>
<td>Between subjects</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Within subjects</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Status (A)</td>
<td>1</td>
<td>85.33</td>
</tr>
<tr>
<td>Error (A)</td>
<td>11</td>
<td>5.72</td>
</tr>
<tr>
<td>Issues (B)</td>
<td>1</td>
<td>50.02</td>
</tr>
<tr>
<td>Error (B)</td>
<td>11</td>
<td>9.26</td>
</tr>
<tr>
<td>A x B</td>
<td>1</td>
<td>5.33</td>
</tr>
<tr>
<td>Error (AB)</td>
<td>11</td>
<td>1.12</td>
</tr>
</tbody>
</table>

*P < .05
**P < .01
Fig. 1. Flow chart of experimental procedure shown for the condition in which leaders are discussants and delegates are observers.
Postdiscussion decisions Observation

(If Di consensus)

Postconsensus decisions

Observation

Negot. #3
Consensus or deadlock

Consult. #1

Negot. #2
Consensus

Consult. #2

Observation

Postdiscussion decisions

Prior individual decisions (All Ss)

(Dyads)

L = Leaders  Di = Discussants
D = Delegates  Ob = Observers