GENDER DISCRIMINATION IN NEGOTIATOR DECEPTION:
AN ARCHIVAL ANALYSIS OF BEHAVIOR IN THE MBA CLASSROOM

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Abstract

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In this article, the relationship between gender and the likelihood of being deceived is examined. In strategic interactions, rational actors deceive on the basis of expected consequences (Gneezy, 2005). Gender stereotypes suggesting women are more easily misled than men predict that women will be deceived more so than men. Study 1 involved an archival analysis of deception in a real estate negotiation simulation in the MBA classroom ($N = 298$). Consistent with a rational analysis of gender stereotypes, women were deceived more frequently than men, yet women perceived no less honesty in their counterparts than did men. Economic and psychological consequences of deception were also examined, including agreement rates, sale price, and negotiator subjective experience. When believed by their target, lies facilitated deal making. However, psychologically, lying impaired subjective negotiation experiences. Studies 2 ($N = 131$), 3A ($N = 107$) and 3B ($N = 132$) were designed to explore the potential role of gender stereotypes in driving gender discrimination in negotiator deception. As expected, negotiator gender activated gender stereotypes, which in turn influenced the expected consequences of deception. Both theoretical and applied implications are discussed.
GENDER DISCRIMINATION IN NEGOTIATOR DECEPTION: AN ARCHIVAL ANALYSIS OF BEHAVIOR IN THE MBA CLASSROOM

“... Salesmen ... categorize people into "typical" buyer categories. During my time as a salesman I termed the most common of these the "typically uninformed buyer".... [In addition to their lack of information, these] buyers tended to display other common weaknesses. As a rule they were indecisive, wary, impulsive and, as a result, were easily misled. Now take a guess as to which gender of the species placed at the top of this "typically easy to mislead" category? You guessed it-women.”

(Parrish, 1985 p. 3, as quoted by Ayres & Siegelman, 1995)

The reformed car salesman’s quote above reveals a truth about social perception: expectations about the vulnerabilities and strengths of interaction partners are shaped in part by their gender. Shared, category-based expectations, or stereotypes, exist about one gender versus another (Fiske, 1998). Though the activation of stereotypes is automatic and unavoidable (Devine, 1989), how stereotypes are applied to guide behavior in particular situations is often at the discretion of social actors. In competitive negotiations like car purchases, one party’s gain is another’s loss. As such, self-interested negotiators seeking to secure attractive deals may rely on gender stereotypes to make strategic decisions. The current research examines the relationship between gender stereotypes, the expected ease of being misled, and the decision to deceive men versus women in negotiations.
Gender stereotypes create a broad set of challenges for women negotiators. Because effective negotiators are thought to possess stereotypically masculine traits such as assertiveness and rationality (Kray & Thompson, 2005), negotiating often means acting counterstereotypically for women. Burdened with unflattering stereotypes, women negotiators profess more anxiety, less knowledge about the process, and less confidence in their ability (Babcock, Gelfand, Small, & Stayn, 2006; Kray & Gelfand, 2009) compared to their male counterparts. As a result, women are vulnerable to the debilitating performance effects of negative stereotypes (Kray, Thompson, & Galinsky, 2001), typically performing worse than men at the bargaining table (Stuhlmacher & Walters, 1999).

In addition to producing differences in how men and women approach negotiations, gender stereotypes also affect the manner in which women and men are treated. Stereotypes create a set of expectations about how individuals should behave and those who fail to live up to them often experience social repercussions (Rudman, 1998). Indeed, prescriptive gender stereotypes dictating that women be agreeable may lead female negotiators to be judged more harshly for the identical behaviors of male negotiators (Bowles, Babcock, & Lai, 2007). Using a vignette, Bowles and colleagues manipulated both whether a job candidate attempted to negotiate a job offer and the candidate’s gender. Attempting to negotiate reduced participants’ willingness to work with female candidates relative to male candidates who engaged in identical negotiation attempts.
The effect of gender stereotypes on negotiator behavior has also been shown in naturalistic settings, including the car dealership. In a striking field study, Ayres and Siegelman (1995) had women and men actors follow a standardized script inquiring about a new car purchase at various auto dealerships. They found that price quotes were significantly higher for women than for men. Because this discrimination occurred irrespective of salesperson gender, the researchers argued it was not simply a result of prejudice against women (which would presumably be more evident by male salespersons than female salespersons). Instead, they argued, discrimination resulted from a “statistical inference” being drawn by salespeople whereby gender-based cues determined the expected profitability of deals and resulted in disparate price quotes between the sexes (Phelps, 1972). Because the trained actors adopted identical bargaining strategies, it is likely that gender stereotypes, rather than behavioral differences, led salespeople to expect women were more likely than men to pay a high markup. In the words of the researchers (p. 317), “If sellers believe, for example, that women are on average more averse to bargaining than men, it may be profitable to quote higher prices to women customers.”

The current research extends this work on gender discrimination, or behavior aimed at denying particular social groups positive outcomes (Allport, 1954), and bargaining to the domain of deception. By examining whether feminine stereotypes imply that women are easier to mislead and, if so, whether women negotiators are especially likely to be misled, theory and research are extended on multiple fronts. First, the relationship between deception and counterpart gender in negotiations is examined for the first time. In his
groundbreaking research on deception in strategic interactions, Gneezy (2005) did not study gender differences and subsequent work has only examined gender from the perspective of the liar (Dreber & Johannesson, 2008). Second, the current work extends our understanding of gender stereotypes relevant to behavior at the bargaining table to examine assumptions about negotiators’ ease of being misled. Third, by utilizing a fully crossed design with respect to dyad gender composition, this research overcomes methodological limitations of previous work in this domain. In so doing, a more comprehensive picture of the role of gender in negotiations emerges. Finally, by exploring negotiation behavior in the MBA classroom, the applied implications of gender in negotiations are explored.

DECEPTION IN NEGOTIATION

Deception, or communication aimed at intentionally misleading another person, is often driven by self-interest (DePaulo et al., 1996). Because self-interest is a guiding force in negotiations, it is not surprising that deception is prevalent (Lewicki, 1983; Schweitzer & Croson, 1999). Though men are more willing to engage in unethical negotiating tactics than women (Dreber & Johannesson, 2008; Lewicki & Robinson, 1998; Robinson, Lewicki, & Donahue, 2000), whether gender influences the likelihood of being deceived in negotiations remains largely unexamined.

Beyond the negotiation domain, DePaulo et al.’s (1996) study of lying in everyday life sheds light on the role of interaction partner sex. Using a diary methodology recording spontaneous lies, interactions involving women were found to involve more “white lies”
(i.e. meant to protect their feelings). Yet because a wide range of interaction and relationship types were included in this analysis, this finding may not fully reflect women’s avoidance of competition (Niederle & Vesterlund, 2007). In situations with an inherently competitive element (i.e. negotiations), it remains an open question whether lies aimed at providing a strategic advantage are told more frequently to one gender versus the other. By holding constant the context involving a decision of whether to lie, the current research is able to examine whether highly competitive, strategic interactions invite gender bias.

GENDER STEREOTYPES AND THE DECISION TO DECEIVE

Why would negotiators conclude that the risks associated with lying are lower with female negotiators? To address this question, consider the ethical decision making process. In strategic interactions, expectations about consequences guide the decision to deceive (Gneezy, 2005). In other words, rational actors consider both the subjective probability of getting caught and the cost of punishment. Viewed through the lens of gender stereotypes, both considerations put women at a disadvantage relative to men. With respect to lie discovery, feminine stereotypes involving agreeableness and even gullibility suggest women are less likely than men to recognize and to challenge a lie. With respect to punishment, masculine stereotypes involving aggressiveness suggest men are more likely than women to retaliate against a discovered lie. If women are deemed less “risky” targets of deception than men, as the introductory quote suggests, then they become vulnerable to being deceived.
Gender stereotypes suggest, first and foremost, that women must be warm and nice (Bem, 1974; Prentice & Carranza, 2002). This feminine imperative to be agreeable conflicts with the simple act of negotiating, leading women negotiators to appear pushy and demanding (Amanatullah & Morris, 2010; Bowles et al., 2007; Small, Gelfand, Babcock, & Gettman, 2007). In general, attempting to negotiate can be considered impolite. Because conforming to politeness norms is particularly important for low status individuals such as women (Brown & Levinson, 1987), women demonstrate reluctance to initiate negotiations (Small et al., 2007) and dislike the negotiation process more so than men (Kray & Gelfand, 2009).

Prescriptive feminine stereotypes demanding niceness may also render women reluctant to accuse another of lying or, minimally, to lead their interaction partners to expect this reluctance. Accusatory reluctance is characterized by a discomfort in labeling others as deceptive (Ekman, Friesen, O’Sullivan, & Scherer, 1980; O’Sullivan, Ekman, Friesen, & Scherer, 1985). Almost by definition, the warmth and kindness expected of women mandates hesitancy in accusing others of foul play. Doing so is unpleasant, uncomfortable, and potentially aggressive, all of which violate prescriptive feminine stereotypes.

In addition to the mandate that women be agreeable, the fact that women are allowed to possess certain undesirable traits, such as being gullible, impressionable, and naïve (Prentice & Carranza, 2002), may increase women’s likelihood of being deceived. These relaxed proscriptions for women provide a means of avoiding the uncomfortable task of
accusing another of lying. As in the case of whistleblowers, accusing others of wrongdoing often carries penalties that people are motivated to avoid (Johnson, 2002). Furthermore, to the degree that women are presumed to possess these undesirable characteristics, a rational actor might conclude women are also more likely to believe a lie. Indeed, women’s own admission of their lack of knowledge about negotiating (Kray & Gelfand, 2009) likely lowers the subjective probability of their catching a lie at the bargaining table. Overall, the subjective risks of getting caught in a lie appear to be lower with female negotiators.

Another potential consequence of deception is the threat of retaliation should the lie be discovered. Examined from this angle, women remain disadvantaged relative to men. Masculinity is associated with agency and aggression (Williams & Best, 1982); these masculine stereotypes suggest men are more likely than women to retaliate against a discovered lie. Once again, aside from any actual behavioral differences between men and women in retaliation, awareness of gender stereotypes may affect expectations about retaliation, thus influencing a rational actor’s decision to deceive. Likewise, even if women were as likely as men to retaliate, their ability to do so effectively may be limited. Women’s ability to punish a liar may be relatively constrained because women have lower status than men (Jackman, 1994) and status predicts the amount of attention granted by others (Fiske, 1993; Keltner, Gruenfeld & Anderson, 2003). Each of these considerations leads to the prediction that women are more likely than men to be deceived in strategic interactions.
OVERVIEW OF STUDIES

Four studies were conducted to determine the relationship between gender, gender stereotypes, and deception in negotiations. Study 1 was designed to explore deceptive behavior in the context of a negotiation simulation in the MBA classroom. Though the simulation was hypothetical, behavior in the simulation could have real consequences both in terms of reputations and for ongoing relationships with classmates. The central question is whether women are deceived more often than men and, if so, what are the actual consequences of doing so? The remaining studies were conducted to explore a possible underlying mechanism driving gender discrimination in deception, the role of gender stereotypes in shaping expectations about negotiators. To this end, Study 2 examined the link between gender and expectations. It was hypothesized that female negotiators would be expected to be more easily misled and less tough than male negotiators. Studies 3A and 3B examined the relationship between gender stereotypes and the expected consequences of negotiator deception. It was hypothesized that feminine stereotypes would be associated with positive consequences of deception (i.e. ease of reaching agreement) whereas masculine stereotypes would be associated with negative consequences of deception (i.e. threat of retaliation).

STUDY 1: DECEPTION IN THE MBA CLASSROOM

If gender stereotypes lead negotiators to expect women to be more easily misled than men and these expectations shape ethical decision making, then female negotiators should be deceived more often than their male counterparts. To test this hypothesis, an archival dataset was created using existing measures from an MBA negotiation course.
In this course, students completed face-to-face negotiation role playing exercises followed by post-negotiation online surveys on a weekly basis. Though the economic terms of deals were not graded, preparation and effort in the exercises were. In addition to this performance incentive, students were also highly motivated to reach attractive deals. After each exercise, the precise terms of each negotiating pair’s agreement were summarized in written form and shared with the entire class, thus providing clear and immediate reputational incentives to do well. As a result of this debriefing process, students could be virtually assured that any deception occurring during negotiations would ultimately be revealed to their negotiating partners. Finally, negotiators could be assured of ongoing interactions with their counterparts, with the possibility of negative reputational and relational consequences of deception extending beyond the simulation (cf. Anderson & Shirako, 2008).

One exercise in particular was designed to introduce the concept of ethics, thus providing an ideal context for testing the hypothesized relationship between gender and deception. The negotiation task (described in detail below) involved a buyer-seller real estate transaction designed to pose the following ethical dilemma to buyers: do they lie about their intended use of the property to facilitate a deal that might not otherwise occur? Prior to debriefing the exercise (i.e. revealing the buyers’ true intentions), participants completed a post-negotiation survey including all dependent variables.

One measure of ethical decision making was buyer self-reported lying, a common method for assessing various forms of dishonesty (cf. DePaulo et al., 1996; McCabe,
Butterfield, & Trevino, 2006). Because this self-report measure may have been influenced by the perceived consequences of lying, it was supplemented by open-ended descriptions of the buyer’s tale (i.e. their stated intentions), provided by both buyers and sellers. Two independent judges coded these descriptions for deception. A subset of the sample (due to pedagogical reasons) also assessed the buyer’s degree of honesty, which provided both a finer-grained sense of buyer behavior and a measure of whether sellers detected buyer deception.

Finally, consequences of deception were examined to assess whether the expectations derived from gender stereotypes predicted negotiation processes and outcomes. Economic consequences included agreement rate and sale price. Psychological consequences included dyad ratings of their negotiating experience. In contrast to the hypothesized positive economic consequences of deception for buyers, it was expected that lies (even if undetected) would impair negotiators’ psychological experiences (Sagarin, Rhoads, & Cialdini, 1998). Because women sellers were expected to be deceived more than male sellers, two consequences were hypothesized: 1) more positive economic terms were expected for buyers negotiating with female sellers; 2) more negative negotiating experiences were expected for dyads including female sellers.

**METHOD**

**Participants.** Participants were 298 full-time M.B.A. students at a public west coast business school (221 male, or 74.2%) who were enrolled in one of six sections of a negotiation course, comprising 149 dyads (65 male-male, 23 female buy-male sell, 48
male buy-female sell, 13 female-female). Both male and female students were randomly assigned to negotiation roles. Given that men comprised approximately 75% of MBA enrollment, data from 6 sections of negotiation classes across 3 semesters were combined to enable the analysis of a full factorial design. The negotiation exercise occurred in approximately the 4th week of a 15-week course.

**Procedure.** Participants were given one hour to negotiate the “Bullard Houses” role playing exercise (DRRC version, 1995). Participants were randomly assigned to negotiate as the buyer’s agent (“buyer”) or the seller’s agent (“seller”) in a real estate negotiation. As in past research examining ethical decision making (Kern & Chugh, 2008), this simulation was chosen because it provides negotiators with a range of options for responding to an ethical dilemma posed to buyers. Sellers were instructed only to sell the property to a known, reputable buyer for “tasteful” and preferably residential purposes. Buyers were prohibited from revealing under any circumstances that their client intended to build a commercial high-rise hotel on the property catering to tourists and convention visitors, a use inconsistent with the sellers’ interests. However, at no point were buyers instructed to lie.

Buyers were faced with the decision of whether to be truthful versus dishonest to sellers about their client’s intended use of the property. Buyers exhibiting total honesty could inform the seller that they were prohibited from revealing the intended use of the property, though doing so may raise suspicion and thereby potentially increase the risk of reaching an impasse. Alternatively, various degrees of dishonesty could be employed:
buyers could claim that they were unaware of their client’s intended use, focus on ambiguous terms like “residential” (though a hotel “houses” people, it is short-term and requires different zoning than long-term residences), or blatantly lie by claiming that their clients intended to put the property to a use consistent with the seller’s interests (i.e. brownstones).

**Dependent Measures**

**Lie Admissions.** Lie admissions were measured by asking buyers if they lied to sellers about the intended use of the property, coding no as “0” and yes as “1.”

**Buyer Deception.** Buyers’ deceptiveness was independently assessed in two ways: 1) buyers’ open-ended responses to: “What did you tell the seller about the intended use of the property?” and 2) sellers’ open-ended responses to: “What is your understanding of the intended use of the property by the buyer?” Both buyer and seller descriptions were coded for deception by two independent judges on the following 6-point scale: 0 (truth, i.e. “high-rise commercial” or “buyer said he was not authorized to reveal”), 1 (truth but violated client’s orders, i.e. “hotel”), 2 (vague and subjective, emphasis on “tasteful” use), 3 (claimed ignorance or uncertainty about purpose, i.e. “undecided”), 4 (misleading, emphasis on “residential” use), 5 (blatant lie, i.e. “condominiums”). Coder reliability was adequate for both buyer (κ = .69) and seller (κ = .65) descriptions, so judges’ ratings were combined.
**Buyer Subjective Honesty.** Because data were collected over multiple academic semesters, some questions varied over time. For purposes of the current investigation, the only relevant dependent variable to be added midway through the data collection process concerned buyer honesty. For a portion of the sample (n = 175), buyers’ self-reported honesty (rated by buyer) and perceived honesty (rated by seller) were assessed. The response scale ranged from 1 (not at all) to 7 (extremely).

**Economic Consequences.** First, agreement rates were examined, coding impasse as “0” and agreement as “1.” Second, if an agreement was reached, sale price was examined (M = $19.36M, SD = 2.92).

**Psychological Consequences.** Participants’ ratings of their negotiation experience were assessed with a 5-item modified version of the Subjective Value Inventory (Curhan, Elfenbein, & Xu, 2006). Items included: “How satisfied are you with the ease of reaching agreement?”, “Did the negotiation build a good foundation for a future relationship?”, “Did you behave according to your own principles and values?”, “How satisfied are you with your own outcome?”, and “Would you characterize the process as fair?” Response scales ranged from 1 (not at all) to 5 (extremely). As the reliability of the items was adequate for both buyers (α = .79) and sellers (α = .77), separate negotiation experience indices were created for buyers and sellers.
RESULTS

Preliminary Analyses. Descriptive statistics for all study variables are provided in Table 1. Several initial findings provide assurance of the validity of the deception measures. First, within dyads, buyers and sellers agreed on buyer intentions, buyer honesty, and subjective experience. Second, buyers’ multiple measures of deception (lie admission, buyer intentions, and honesty) were significantly correlated. Third, the deception revealed in sellers’ report of buyer intentions was significantly correlated with sellers’ ratings of buyer honesty.

Lie Admissions. A log-linear analysis was conducted with buyer sex and seller sex included as between-dyad factors. Table 2 provides the proportion of lie admissions across conditions. As hypothesized, buyers were significantly more likely to lie to female sellers than to male sellers, $\chi^2 (1, 134) = 5.86, p = .02$. In fact, the ratio of lies experienced by female versus male sellers was 3:1. The interaction between buyer sex and seller sex was marginally significant, $\chi^2 (1, 134) = 2.76, p = .10$. Male buyers’ ethical decision making was particularly sensitive to seller sex, with lie admissions six times more frequent when partnered with female sellers compared to male sellers, $\chi^2 (1, 96) = 9.64, p = .002$. No other effects were significant.

Buyer Deception. To determine whether independent assessments of buyer deception converged with the pattern of lie admissions, a mixed-model ANOVA was conducted on both buyers’ and sellers’ descriptions of what buyers told sellers about the intended use of the property, including buyer sex and seller sex as between dyad factors. Three effects
emerged. First, replicating the pattern of buyers’ lie admissions, a main effect for seller sex emerged whereby reports were more deceptive with female sellers \((M = 2.73, SD = 1.29)\) than male sellers \((M = 1.96, SD = 1.30)\), \(F(1, 121) = 5.93, p = .02, \eta = .05\). Second, a main effect for negotiator emerged such that sellers’ descriptions \((M = 2.54, SD = 1.61)\) revealed more buyer deception than buyers’ descriptions \((M = 2.04, SD = 1.52)\), \(F(1, 121) = 10.41, p = .001, \eta = .08\). The greater deception apparent in sellers’ reports suggests buyers were motivated to minimize their admission of lies.

Third, a Negotiator X Seller Sex interaction effect emerged (see Figure 1), \(F(1, 121) = 3.99, p = .05, \eta = .03\). Sellers’ descriptions revealed more deception with female sellers \((M = 3.12, SD = 1.54)\) than male sellers \((M = 2.11, SD = 1.54)\), \(F(1, 121) = 9.47, p = .003, \eta = .07\); however, buyers’ descriptions of their reported intentions did not significantly vary between female \((M = 2.34, SD = 1.40)\) and male sellers \((M = 1.81, SD = 1.58)\), \(F(1, 121) = 1.12, p = .29, \eta = .01\). Though sellers’ reported understanding of the buyers’ intentions revealed more deception with female sellers than male sellers, buyers’ reports of what they told sellers did not acknowledge this gender bias, perhaps reflecting a motivation of buyers to recall their stated intentions in a less deceptive light.

To better illustrate the gender bias apparent in sellers’ understanding of buyer intentions, the frequency of lie type by seller sex is displayed in Figure 2. Notably, the effect of seller sex was not driven by “gray zone” lies. Instead, what distinguished female versus male sellers was whether they were told blatant lies versus the truth. Whereas 26.2% of
female sellers’ reports revealed blatant lies (coded as 5), only 6.8% of male sellers’ reports did so. \( \chi^2 (1, 149) = 10.08, p = .001 \). In contrast, complete honesty (coded as 0 or 1), including honesty that violated buyers’ instructions by their clients not to reveal their intentions, was communicated to 34.1% of male sellers compared to 16.4% of female sellers. \( \chi^2 (1, 149) = 5.75, p = .02 \).

**Buyer Honesty.** Buyer honesty was analyzed with a mixed-model ANOVA, including negotiator as a within-dyad factor, and buyer sex and seller sex as between-dyad factors. Two statistically significant effects emerged. First, as depicted in Figure 3, a Negotiator X Seller Sex interaction effect emerged, \( F(1, 75) = 9.41, p = .003, \eta = .11 \). Buyers admitted to significantly less honesty with female sellers (\( M = 4.68, SD = 2.03 \)) than male sellers (\( M = 5.91, SD = 1.31 \)), \( F(1, 75) = 10.26, p = .002, \eta = .12 \); however, sellers’ assessment of buyer honesty did not significantly differ between female sellers (\( M = 4.92, SD = 1.84 \)) and male sellers (\( M = 4.85, SD = 1.86 \)), \( F(1, 75) = .94, p = .74 \).

Although female sellers were disproportionately deceived, their assessment of buyers’ honesty did not reflect this reality.

Second, this interaction was further qualified by buyer sex, \( F(1, 75) = 5.08, p = .03, \eta = .06 \). For dyads with male buyers, a main effect emerged for seller sex, \( F(1, 60) = 5.54, p = .02, \eta = .09 \). Dyads comprised of male buyers/female sellers (\( M = 4.81, SD = 1.58 \)) rated the buyer as less honest than dyads comprised of male buyers/male sellers (\( M = 5.42, SD = 1.42 \)). For dyads with female buyers, the interaction between seller sex and
negotiator role was significant, $F(1, 15) = 8.37, p = .01, \eta = .36$. Female buyers acknowledged being less honest to female sellers ($M = 4.00, SD = 2.27$) than male sellers ($M = 6.00, SD = 1.61$), $F(1, 16) = 4.90, p = .04, \eta = .24$. Yet a marginally significant effect emerged whereby female sellers ($M = 5.44, SD = 1.51$) perceived female buyers to be more honest than did male sellers ($M = 4.23, SD = 1.48$), $F(1, 20) = 3.52, p = .08, \eta = .15$. This interaction pattern suggests female sellers recognized the dishonesty acknowledged by male buyers but not female buyers.

**Economic Consequences**

**Agreement Rates.** Overall, 74.5% of dyads reached agreement. First, I examined whether agreement rate differed by buyer sex and seller sex. A marginally significant effect emerged for seller sex whereby dyads with female sellers (81.97%) reached more deals than dyads with male sellers (70.12%), $\chi^2(1, 148) = 2.69, p = .10$. Second, I examined the relationship between deception and agreement rates. The only measure of deception that significantly predicted agreement rates was the coded deception revealed in sellers’ reports of buyer intentions. Not surprisingly, less accuracy in sellers’ understanding of the intended use of the property translated into more deals being struck, $r(136) = .32, p < .001$.

**Sale Price.** First, I examined whether, for dyads reaching agreement, sale price varied by buyer sex and seller sex. The only marginally significant effect was a main effect for buyer sex, $F(1, 107) = 2.89, p = .09, \eta = .03$. Consistent with prior research, male buyers
Second, I examined whether sale price was predicted by any of the deception measures. The only marginally significant effect to emerge was a positive relationship with buyers’ self-assessed honesty, \( r(66) = .21, p = .09 \). Buyers who paid higher prices reported having been more honest during the negotiation.

**Psychological Consequences**

First, participants’ evaluation of their negotiation experience was examined with a mixed-model ANOVA, including negotiator as a within-dyad factor and buyer sex and seller sex as between subject factors. The only effect to emerge as statistically significant was a main effect for seller sex, \( F(1, 132) = 3.98, p = .05, \eta = .02 \). Buyers and sellers alike reported a less positive negotiating experience in dyads with female sellers \( (M = 3.68, SD = .82) \) than in dyads with male sellers \( (M = 4.00, SD = .66) \).

Why did dyads with female sellers have a relatively negative negotiating experience? The greater dishonesty in these dyads’ interactions was hypothesized to negatively affect the negotiation experience. To test this hypothesis, dyad-level measures were created of buyer honesty and negotiation experience by averaging buyer and seller ratings. Then a mediation model was tested. As expected, the relationship between seller sex and negotiation experience was fully mediated by buyer honesty ratings, \( 95\% CI = .04, .43 \). In other words, negotiating dyads with female sellers reported more negative experiences because they perceived more dishonesty by buyers.
DISCUSSION

An archival analysis of negotiator behavior in the MBA classroom reveals for the first time that women are disproportionately deceived at the bargaining table. Across multiple measures of deception, negotiators faced with an ethical dilemma about whether to lie were more likely to do so when their negotiating partner was female rather than male. First, buyers admitted to lying more when their partner was female rather than male. Lest this pattern of confessions simply reflect different thresholds for admitting to lies based on counterpart gender, independent judges confirmed that what buyers told sellers about the intended use of the property was more deceitful with female sellers compared to male sellers. Buyers also rated themselves as less honest with female sellers than male sellers. In combination, these findings suggest a robust gender bias in the use of deception in strategic interactions.

Each measure of deception supports the central hypothesis, in addition to shedding light on further aspects of the relationship between gender and deception. With respect to lie admissions, the main effect for seller sex was qualified by a marginal interaction with buyer sex. A pronounced tendency emerged for men to admit to lies told to women but not other men, at a ratio of 6:1. This finding is consistent with recent research suggesting male negotiators are more motivationally biased in their ethical reasoning than female negotiators (Kray & Haselhuhn, 2011). Whereas women did not distinguish other women from men in their lie admissions, men’s pattern of lie admissions may reflect differential goals depending on their counterpart’s gender. Just like high status actors are more lenient in judging the ethical lapses of other high status actors (Bowles & Gelfand, 2010),
the current work suggests that high status actors may be more stringent in their own ethical standards with other high status actors.

In contrast to possible distortions in buyers’ reports, sellers’ descriptions of what they were told by buyers were unlikely to be influenced by self-presentational concerns. In their descriptions of what they were told by buyers, a pronounced difference was revealed in the tale told to women sellers versus male sellers. Whereas women were told outright lies more often than men, men were told the whole truth more often than women. Remarkably, this tendency for buyers to reveal the truth to men even included violating instructions explicitly prohibiting them from revealing their clients’ intentions to build a hotel. The expected costs of obfuscating the truth to a male classmate may have outweighed the expected benefits of telling him the absolute truth, even if it compromised the simulation by violating the (hypothetical) clients’ instructions.

The final measure tapping deception involved buyer honesty ratings by both buyers and sellers. Here an interesting finding emerged whereby female sellers failed to recognize the dishonesty of buyers. Though buyers uniformly acknowledged being less honest to female sellers, female sellers judged their counterparts to be as honest as male sellers did. This finding was particularly true in female-female dyads. Women behave in a more trustworthy fashion than men in strategic interactions (Buchan, Croson, & Solnick, 2008). Perhaps an expectation of honesty may have prevented female sellers from recognizing the dishonesty of female buyers.
This study also measured deception’s actual consequences, both economic and psychological. Interestingly enough, lying in and of itself had no impact on reaching a deal. That is, looking at deception from buyers’ self-reports did not predict more agreements. Instead, erroneous understandings of buyer intentions revealed in sellers’ reports predicted agreement rates. Simply telling a lie was not enough to affect economic terms, but rather the lie had to be believed by its target to facilitate deal making. With respect to sale price, little evidence emerged to suggest that lying helped buyers to secure a better deal. Though buyers who paid a high price subsequently reported being more honest, this pattern may have simply been an attempt to compensate for or justify their high economic costs. Overall, the positive economic consequences of lying were tenuous and must be balanced with the negative psychological consequences resulting from the lies told.

Buyers and sellers alike were negatively impacted by buyers’ lying, as evidenced by subjective ratings of their negotiation experience. Across the board, negotiations involving female sellers were rated as more negative experiences than those involving male sellers. Important for connecting this pattern to deception was the mediation analysis illustrating the underlying process. The negative experiences of dyads comprised of women sellers were driven by shared perceptions that buyers had been relatively dishonest. Given that this study occurred in a classroom setting in a graduate degree program wherein classmates have ongoing interactions beyond the simulation, it highlights very real differences in psychological consequences for coming to the bargaining table (i.e. enrolling in a negotiation course) by gender. This study makes clear
that the psychological consequences of negotiating significantly differed for women and men. By experiencing different degrees of honesty from buyers, male sellers walked away with a firmer foundation in place for future interactions with their classmates than did female sellers.

**STUDY 2: NEGOTIATOR GENDER SHAPES EXPECTATIONS**

In Study 1, gender discrimination in negotiator deception was observed. The current study was designed to better understand the possible role of gender stereotypes in driving this effect. Gender is an observable variable used to make inferences about unobservable variables, such as negotiators’ “knowledge, search, and bargaining costs” (Phelps, 1972). For gender stereotypes to drive differences in how women and men are treated, gender must strongly connote gender stereotypes. Though past research has examined the content of gender stereotypes in general (Prentice & Carranza, 2002) and gender stereotypes have been shown to influence negotiator behavior (Kray et al, 2001), no research to date has simply examined the correspondence between negotiator gender and gender stereotype-consistent expectations. To fill this gap, the current study manipulated the gender of a negotiating counterpart and then measured the extent to which the negotiator was expected to be easy to mislead and tough. These two sets of expectations were chosen due to their relevance to the decision of whether to deceive a counterpart.

**METHOD**

**Participants and Design.** Participants were 131 US workers (75 female, 56 male) an online marketing research website. They were paid $1. No other demographic
information was provided. Gender of negotiating counterpart was the sole independent variable with 3 between-subject conditions (no gender, male, female).

**Procedure.** Participants were given 5 minutes to complete an online survey. The no gender condition is provided below, with the male and female variations described in parentheses.

The survey began, “Imagine you are selling your used car. After posting an ad on a community bulletin board, you were contacted by an interested buyer [, Michael Taylor, Patricia Anderson]. Based on your initial interactions, the buyer [Michael, Patricia] appears to be a typical [male, female] negotiator.”

Participants were then asked to indicate their expectations about the buyer. Participants read, “Please rate how likely it is that the buyer [Michael, Patricia] is as follows:” Twelve adjectives were then presented in randomized order. Six items comprised an easy to mislead negotiator scale (easily misled, gullible, naïve, wary, anxious, indecisive, $\alpha = .78$). The six remaining items comprised a tough negotiator scale (good business sense, ambitious, stubborn, prepared, knowledgeable, and confident, $\alpha = .76$). The response scale ranged from 1 (very unlikely) to 7 (very likely).

**RESULTS**

**Easily misled.** An ANOVA was conducted, with negotiator counterpart gender and respondent gender as between-subject factors. The only statistically significant effect was
a main effect for negotiator counterpart gender, $F(2, 128) = 9.50, p < .001$. Planned contrasts were conducted to determine that male negotiators ($M = 3.05, SD = .96$) were expected to be less easily misled than both female negotiators ($M = 3.88, SD = .79, t(128) = 4.29, p < .001$) and negotiators whose gender was unspecified ($M = 3.59, SD = 1.00, t(128) = 2.52, p = .01$). Female negotiators did not significantly differ from unspecified negotiators, $t(128) = 1.47, p = .14$.

**Toughness.** An ANOVA was conducted, with negotiator counterpart gender and respondent gender as between-subject factors. As expected, the main effect for negotiator counterpart gender was significant, $F(2, 128) = 4.32, p = .02$. Planned contrasts determined that female negotiators ($M = 4.81, SD = .72$) were expected to be less tough negotiators than both male negotiators ($M = 5.23, SD = .64, t(128) = 2.74, p = .007$) and negotiators whose gender was unspecified ($M = 5.18, SD = .85, t(128) = 2.29, p = .02$). Male negotiators did not significantly differ from unspecified negotiators, $t(128) = .35, p = .73$. The two scales were negatively correlated, $r(128) = -.47, p < .001$.

**DISCUSSION**

The results of this experiment show for the first time that the mere knowledge of a negotiating counterpart’s gender shapes expectations about that person’s negotiating prowess. Two aspects of negotiating effectiveness pertinent to the decision of whether to deceive were examined. First, I examined the extent to which gender shapes how easily misled a negotiator is expected to be. Consistent with the pattern of actual lies observed in Study 1, male negotiators were expected to be both less easily misled and tougher
compared to female negotiators. The inclusion of a control condition clarifies that men are deemed less easily misled than generalized others and women are deemed less tough than generalized others. Regardless of which gender drove each effect, the simple comparison of male versus female negotiators (without the control condition) is most critical for predicting differential treatment between the sexes. Gender shapes expectations about how easy it would be to dupe a negotiator and how tough (and thereby threatening) they would be expected to be at the bargaining table.

**STUDY 3A: GENDER STEREOTYPES AND THE POSITIVE EXPECTED CONSEQUENCES OF DECEPTION**

The previous study established that female negotiators are, a priori, thought to be easier to mislead and less tough than male negotiators. The current experiment examines how these gender stereotypes shape expected reactions to deception at the bargaining table. It was hypothesized that deceiving stereotypically feminine negotiators would be expected to yield relatively positive consequences compared to deceiving stereotypically masculine negotiators.

The current experiment involved a negotiation scenario concerning the sale of a car wherein the seller blatantly lied about the condition of the vehicle to a prospective buyer, where the description of the buyer was manipulated. The study was designed to examine the positive consequences of lying, including resistance to the lie and the likelihood of a deal occurring under false pretenses. Participants were predicted to expect more positive
consequences upon lying to a stereotypically feminine negotiator than a stereotypically masculine negotiator.

Unlike Study 2, which manipulated buyer gender, the current studies manipulated whether negotiators were described in stereotypically feminine versus masculine terms. Doing so provided a means of assessing how the stereotypes themselves influence the expected downstream consequences of deception at the bargaining table. However, given the strong correspondence between gender stereotypes and gender, I expected negotiators described in stereotypically feminine (masculine) terms would be presumed female (male) and sought to confirm this with a manipulation check that asked participants to guess the buyer’s gender.

**METHOD**

**Participants and Design.** Participants were 107 (39.3% male) workers from an online marketing research website who were paid $2. The experiment included two between-subject gender stereotype conditions (feminine, masculine).

**Procedure.** Participants read the following scenario, adapted from Gneezy (2005):

“Imagine you are selling your used car, which is worth about $1200. After posting an ad on a community bulletin board, you were contacted by an interested buyer.” Next came the gender stereotype manipulation. The feminine stereotype condition read: “This person is a community member whom you have never met, but whom mutual acquaintances say is quite warm and kind, yet also somewhat naïve and gullible.” The
masculine stereotype condition read: “This person is a community member whom you have never met, but whom mutual acquaintances say is quite ambitious and has good business sense, yet also somewhat arrogant and stubborn.”

The scenario continued as follows: “The engine’s oil pump does not work well, and you know that if the buyer learns about this, you will have to reduce the price by $250 (the cost of fixing the pump). If you don’t tell the buyer, the engine will overheat on the first hot day, resulting in damages of $250. Being winter, the only way the buyer can learn about this now is if you were to tell. Otherwise, the buyer will learn about it only on the next hot day. Before delivering payment for the car, the buyer asks you to confirm that the car is in good working order. You respond, “The car works great. No issues whatsoever.””

Dependent Variables. To assess the expected ease of misleading the buyer, participants indicated how likely it was that the buyer would believe them and how much the buyer trusted them (α = .76). To gauge expected persistence, participants then indicated how likely it was that the buyer would continue to ask questions about the condition of the car. Participants also indicated the likelihood that a deal would occur in which they received full payment for the car. All items were on 7-point scales. The trust item had endpoints of “not at all” and “completely.” The remaining items had endpoints of “very unlikely” and “very likely.” As a manipulation check, participants indicated the likely gender of the buyer. They also reported their own gender. Because participant gender did not affect the results, it is excluded from the analyses reported below.
RESULTS

Manipulation Check. A chi-squared analysis was conducted to assess the relationship between gender stereotypes and guesses of counterpart gender. As expected, buyers described in stereotypically masculine terms ($M = 86.5\%$) were more likely to be presumed to be male than buyers described in stereotypically feminine terms ($M = 56.4\%$), $\chi^2 (1, 107) = 13.67, p < .001$. In addition, the buyer was presumed to be male (71\%) more often than chance, $\chi^2 (1, 107) = 19.53, p < .001$. No other effects were significant.

Expected Consequences of Deception. Feminine stereotypes were hypothesized to produce positive expected consequences of deception, including greater lie belief, less lie resistance, and, ultimately, more attractive deals for liars. To test this hypothesis, a separate ANOVA was conducted for each dependent variable, including gender stereotype condition as a between-subject factor. Results are consistent with this hypothesis. First, the stereotypically feminine buyer ($M = 4.84, SD = .92$) was expected to believe the lie more than the stereotypically masculine buyer ($M = 4.22, SD = .98$), $F(1, 103) = 10.12, p = .002, \eta = .09$. Second, the stereotypically feminine buyer ($M = 4.56, SD = 1.60$) was expected to be less persistent in questioning than the stereotypically masculine buyer ($M = 5.28, SD = 1.14$), $F(1, 103) = 10.12, p = .01, \eta = .06$. Finally, a deal resulting in full payment to the seller was deemed more likely with a stereotypically
feminine buyer ($M = 5.64, SD = 1.01$) than a stereotypically masculine buyer ($M = 5.13, SD = 1.31$), $F(1, 105) = 4.95, p = .03, \eta = .05$.

**Mediation Analyses.** To gain a better understanding of the process by which gender stereotypes increased expected agreements, two sets of mediation analyses were conducted. First, I examined whether the relationship between gender stereotypes and expected persistence was mediated by perceptions of being easily misled. Bootstrapping procedures were used to establish a 95% confidence interval for the indirect effect of a predictor on an outcome (Preacher & Hayes, 2004). Because the CI did not contain zero (95% CI = .10, .59), mediation was confirmed. Second, I examined whether the relationship between perceptions of being easily misled and expected agreements was mediated by expected persistence. Once again, mediation was confirmed (95% CI = .04, .26). Gender stereotypes affected the degree to which the lie was expected to be believed, further impacting expected persistence in questioning the lie and, ultimately, whether a deal was expected to occur under false pretenses.

**DISCUSSION**

In strategic interactions, lies are told when the expected consequences are positive (Gneezy, 2005). Study 2 demonstrated that feminine stereotypes suggest greater ease in being misled and less negotiator toughness relative to masculine stereotypes. Here the expected consequences of deception are explored in light of these stereotypes. By reducing the expected odds that a lie will be resisted, feminine stereotypes increase the
expected likelihood of securing a deal based on false pretenses relative to masculine stereotypes.

Study 2 manipulated negotiator gender and then measured gender stereotypes. This study also demonstrated a correspondence between gender stereotypes and negotiator gender. Though no mention was made of buyer gender, gender stereotypes influenced presumptions about negotiator gender. Though overall buyers were presumed to be male more so than female, perhaps reflecting men’s greater presence at the bargaining table, the tendency to presume maleness was significantly greater when the buyer was described in stereotypically masculine terms than stereotypically feminine terms. Gender and gender stereotypes clearly go hand-in-hand.

**STUDY 3B: GENDER STEREOTYPES AND THE NEGATIVE EXPECTED CONSEQUENCES OF DECEPTION**

The final study builds on Study 3A in three ways. First, the expected negative consequences of deception were gauged. It was hypothesized that masculine stereotypes would imply a greater likelihood of retaliating against a liar whose misdeed is revealed. Second, whereas the previous experiment simply measured the expected likelihood of a full price deal occurring, the current experiment included a finer-grained measure of expected sale price, assuming the price was actually negotiated. Third, the current experiment included a control condition in which no information was provided about the buyer’s reputation. In so doing, the relative impact of feminine and masculine stereotypes could be assessed.
METHOD

Participants and Design. Participants were users of an online market research website \((N = 132)\) who were paid $1. No demographic information was collected. The experimental design included three between-subject gender stereotype conditions (feminine, masculine, control).

Procedure. The same scenario described in Study 3A was used. In addition to the feminine and masculine stereotype conditions, a control condition was added that simply described the potential buyer as follows: “This person is a community member whom you have never met.”

Dependent variables. First, participants indicated what they expected the final price would be, given the car’s worth of approximately $1200. Second, to measure expected threat of retaliation, two questions were presented on 7-point scales (endpoints: “not at all” and “very”): “How likely is it that the buyer will demand compensation when the oil pump breaks next summer?” and “How likely is it that the buyer will seek to damage your reputation when the oil pump breaks next summer?” Because reliability was high \((\alpha = .77)\), the two items were combined into a expected threat of retaliation scale.

RESULTS

Expected Price. Table 3 presents descriptive statistics. A one-way ANOVA determined that expected price was impacted by the gender stereotype manipulation, \(F(2, 130) = \)
4.05, \( p = .02, \eta = .06 \). Negotiators described in stereotypically feminine terms were expected to pay more than negotiators described in stereotypically masculine terms. The expected price in the control condition fell in the middle.

**Expected Threat of Retaliation.** An ANOVA was also on expected threat of retaliation. As hypothesized, gender stereotypes affected the expected negative consequences of lying, \( F(2, 130) = 10.53, p < .001, \eta = .14 \). Stereotypically masculine negotiators were expected to pose a greater threat of retaliation after being deceived, both relative to the stereotypically feminine negotiator and the control condition.

Expected price and perceived threat of retaliation were negatively correlated, \( r(133) = -.22, p < .01 \). Somewhat ironically, buyers who paid less for the car were expected to be the most likely to retaliate upon discovering the car’s deficiency. However, the effect of gender stereotypes on threat of retaliation remained significant when sale price was statistically controlled with an ANCOVA, \( F(2, 129) = 8.58, p < .01 \). Therefore, the effect of gender stereotypes on perceived threat of retaliation occurred independently of the buyer’s economic costs.

**DISCUSSION**

The current study finds that gender stereotypes influence the expected negative consequences of engaging in deception at the bargaining table. Consistent with Study 3A’s finding that feminine stereotypes imply a greater likelihood of a lie going undetected and resulting in a full-priced deal, the current experiment demonstrates that,
even if a deal is negotiated, feminine stereotypes imply paying a higher price for the car. Finally, by including a control condition, the current experiment clarifies that feminine stereotypes increase the expected positive consequences of deception whereas masculine stereotypes increase the expected negative consequences of deception, both relative to baseline conditions.

**GENERAL DISCUSSION**

The current research was motivated by the question of whether a gender bias exists in the use of deception in strategic interactions. Specifically, if expectations guide the decision of whether to deceive (Gneezy, 2005), then are women more likely to be deceived than men? Rational actors motivated to maximize individual gain may use gender stereotypes to make “statistical inferences” of both the likelihood of getting caught in a lie and, if so, the resulting punishment. Because gender triggers gender stereotypes implying women are easier to mislead than men, women were hypothesized to be deceived more so than men. To test this hypothesis, an archival analysis was conducted of deception among nearly 300 MBA students. By utilizing a full factorial design with respect to dyadic gender composition (Kray & Thompson, 2005), a comprehensive picture emerges of gender’s role in strategic interactions. In the context of a classroom negotiation simulation, women were deceived significantly more by their peers than were men.

The archival analysis also examined the actual consequences of deception. Whereas the economic benefits of lying were negligible, the psychological costs of doing so were clear. Deception adversely impacted negotiators’ experiences at the bargaining table. In
their seminal work on ethics in negotiations, Lax and Sebenius (1986) advised that honesty is the best policy, in part because “a lie always leaves a drop of poison behind” (deCallières, 1716, 1919). In the current research, the poison left behind was a tainted experience for both negotiators via the lie’s negative impact on buyer honesty ratings. Telling a convincing lie may have facilitated a deal, but buyers’ awareness of their own compromised ethics bled into the negotiation experience of both negotiators. Given that subjective negotiation experiences can have lasting effects (Curhan, Elfenbein, & Eisenkraft, 2010; Curhan, Elfenbein, & Kilduff, 2009), the psychological consequences of deception in the simulation may have had enduring effects on MBA peer relationships.

In addition to exploring whether gender discrimination in negotiator deception occurs, the current research sought to test one possible mechanism underlying it. Though the MBA classroom did not allow for the measurement or manipulation of gender stereotypes, several attempts were made to implicate gender stereotypes in the decision of whether to deceive another. First, the pattern of archival data is consistent with an expectation-based (“statistical inference”) argument. In their field study examining gender discrimination in bargaining, Ayres and Siegelman (1995) distinguished a statistical inference account from a bigotry (i.e. prejudice) account. According to the latter, car salespeople might demand compensation for the displeasure of interacting with women (Becker, 1957). The theory goes that, by offering women bad deals, dealers hoped to deter them from entering their neighborhood to shop again. To test this proposition, the researchers examined whether male salespersons exhibited more bias than female salespersons towards female buyers, but no evidence was found of this pattern. Likewise, in the current data set, the
only evidence that gender bias was stronger for men than women was the self-reported lie admission measure. Because this variable was the most likely of the deception measures to be influenced by self-presentational concerns, it must be interpreted cautiously.

Overall, the data do not convincingly support a prejudiced-based argument. The reliance on gender stereotypes to set expectations is the most plausible explanation for the findings.

Rather than simply deducing that gender stereotypes best account for the pattern of archival data, several additional experiments were conducted to explore the relationship between negotiator gender and deception-relevant expectations (Study 2). Consistent with the stereotype-driven account, women were expected to be easier to mislead and less tough negotiators compared to men. I also examined the relationship between gender stereotypes and both the positive (Study 3A) and negative (Study 3B) consequences of deception. In both studies, the expected consequences of deceiving negotiators described in stereotypically feminine terms were more positive than for negotiators described in stereotypically masculine terms. Gender stereotypes influenced the expected ease of settling by both influencing the amount of resistance anticipated upon uttering a lie and the threat of retaliation for a discovered lie.

At the heart of these gender stereotypes is the thought that women are more easily misled than men. Are the findings consistent with the stereotype? At first blush, subjective ratings of buyer honesty in Study 1 seem to suggest women were duped. Despite the fact that they were deceived more than men, women and men did not significantly differ in
rating their counterparts’ honesty. However, because gullibility is defined as trust in the presence of clear reasons to distrust (Gurtman, 1992; Rotter, 1980), these data do not speak to gullibility per se. In other words, sellers did not have clear \textit{a priori} reasons for distrusting buyers’ assurances about the intended use of the property (i.e. they had not negotiated previously). The current research simply shows that women negotiators perceived their counterpart as more honest than was warranted.

Rather than being gullible, women may have been reluctant to accuse their counterpart of dishonesty. In line with this interpretation is the observation that women seller’s ratings of the negotiation experience reflected a sense that something was “off” about the interaction, perhaps as a result of experiencing greater social distance from their deceptive interaction partner. Along these lines, DePaulo (1988) noted that asking observers about the degree to which their interaction partner was relaxed and comfortable better predicted lying than simply asking observers whether they’d been deceived. A reluctance to accuse their partner of being dishonest may have masked women’s sense of foul play, which emerged in their ratings of the negotiation experience instead.

This research contributes to the growing interest in the management literature on ethical decision making (Tenbrunsel & Smith-Crowe, 2008). By considering counterpart gender as a determining factor in whether individuals behave ethically, this research expands our understanding of gender’s role in ethics beyond the perspective of the individual actor. Though past psychological work on lying in everyday life failed to turn up strong effects for counterpart gender, it is unlikely that many of the documented observations of lying
involved competitive interactions, where one party’s gain was another’s loss. In addition to gender differences in the propensity to lie in strategic interactions (Dreber & Johannesson, 2008), the current work shows that counterpart gender also factors into the equation.

Though psychologists have mainly employed diary methodologies to understand lying in everyday life, here behavior was measured in a role playing exercise in the classroom. Each approach enjoys a high degree of external validity by examining behavior outside the confines of the laboratory, where stakes are often low without ongoing relationships involved. A particularly attractive feature of the current research is that the decision to deceive was embedded within a social network of students likely to interact repeatedly, thus potentially impacting relationships and reputations. Indeed, negotiator behavior in the MBA classroom has reputational consequences (Anderson & Shirako, 2008).

LIMITATIONS

Despite the strengths of the archival approach, its limitations must also be considered. Because of the classroom context and the historical data, the current research did not allow for the experimental manipulation of lies or the measurement of behavior pertaining to lying. As such, it does not allow for alternative explanations for the findings to be ruled out. Though Studies 3A and 3B showed that gender stereotypes shape expectations, it remains a possibility that actual behavioral differences between the sexes shaped expectations in the MBA classroom. In other words, might women have signaled that they were in fact less resistant to lies, thus paving the way for the deception they
experienced? From an evolutionary perspective, non-verbal signals of cheatability increase exploitation by others (Buss & Duntley, 2008). Caution about not blaming the victim aside, it is certainly true that women profess less confidence, more anxiety, and less knowledge about negotiating compared to men (Kray & Gelfand, 2009). However, even these differences derive from the press of negative stereotypes about women negotiators. When stereotypically feminine traits are linked to negotiating effectiveness, women actually outperform men at the bargaining table (Kray, Galinsky, & Thompson, 2002), thus diminishing the plausibility of the argument that women are simply less tough at negotiating than men. Future laboratory research is needed to determine whether female negotiators send stronger non-verbal signals suggesting they are easy to mislead than male negotiators.

Rather than being easier to mislead, it is also possible that women were deceived more because they were more attuned to their counterparts’ obfuscations and therefore persistent in questioning them. According to this line of reasoning, women backed their counterparts into a corner, thus eliciting a “whopper” of a lie. While this possibility cannot be ruled out definitively in the current research, it is not consistent with the existing literature. First, though women are better at decoding nonverbal cues than men (Hall, 1978), they are no better at catching a liar (Ekman & O’Sullivan, 1991). Second, female negotiators tend to be less directly persistent than male negotiators (Bowles & Flynn, 2010). In combination, the existing literature speaks against the plausibility of this argument for explaining women’s disproportionate deception.
A key strength of the current research is that it was conducted in the MBA classroom, where students are highly motivated to perform and to maintain positive reputations with their peers. Though the realism of the context enhances external validity, questions of generalizability must be raised. First, graduate students studying business cheat more than their non-business peers (McCabe, Butterfield, & Trevino, 2006). Second, although self-selection may lead more competitive people to pursue business degrees, the economic models emphasized in business education may also reinforce a self-interest perspective (Frank, Gilovich, & Regan, 1993). Finally, the deliberative, analytical approach emphasized in business education may have exacerbated unethical behavior (Zhong, 2011). All of these considerations raise the possibility that these results would not generalize to graduate students whose training is not based as heavily on economic principles of rationality and self-interest. Just like framing a negotiation as a Community versus Wall Street game significantly alters competitiveness (Liberman, Samuels, & Ross, 2004), those individuals inclined to construe strategic interactions cooperatively may demonstrate less gender bias in their ethical reasoning. Future research that explores the boundaries of the observed effects is warranted.

PRACTICAL IMPLICATIONS FOR BUSINESS EDUCATION

With women comprising approximately 30% of MBA enrollment at top business schools, the gender disparity in business is alarming. Though professional degree programs such as law and medical have achieved gender parity in enrollment, women’s absence in the MBA classroom persists. Not surprisingly, women are also relatively scarce in the upper echelons of business. Though women make up 46% of the United States labor force, they
comprise just 3% of *Fortune 500* CEOs and only 15.2% of *Fortune 500* board seats (“U.S. women in business,” 2009). Although Study 1 involved a hypothetical, role-playing simulation, the potential consequences of lying to a fellow classmate were real, as MBA students interact repeatedly within a shared social and professional network. This research suggests one reason why women may be reluctant to negotiate (Small et al., 2007) and shy away from competition (Niederle & Vesterlund, 2007). When women do engage in competitive negotiations, they are treated more poorly than men. In addition to being given worse deals (Ayres & Siegelman, 1995), women appear to be deceived more than men. Whereas past research has shown double standards in how men and women are evaluated for the identical negotiation behavior (Bowles et al., 2007), this research demonstrates for the first time that gender predicts treatment by peers in the MBA classroom. Hopefully, exposing hidden biases affecting women’s business training and deal making experiences will shift this persistently *un*level playing field.

Are there features of the MBA classroom explored in Study 1 that exacerbated gender discrimination? First, women’s numerical minority status in the MBA classroom likely enhanced the degree to which they were seen in stereotypical terms (Kanter, 1977). Furthermore, the face-to-face nature of the interaction likely magnified both the salience of gender stereotypes and deception’s expected consequences. Though it is not practical to conduct classroom simulations anonymously, it is nonetheless important to consider how this factor may have contributed to the observed gender bias. Just like gender differences in pricing for car purchases diminishes over the internet (Fiona, Zettelmeyer, & Silva-Russon, 2003), situations with greater anonymity may reduce the salience of
stereotypes about women’s ease of being misled, level the playing field of expected consequences, and produce less gender bias. Finally, the realization that a classroom debriefing would occur, with lies very likely to be revealed, may have increased the threat of retaliation. Outside of the classroom, where lies may very well go undetected without an institutionalized debriefing, men (who pose the greatest threat of retaliation) may be deceived at a level on par with women.

Finally, Study 1 finds a differential pattern of lie admissions among same-sex negotiating dyads that is worth pondering. Whereas men appear to have treated other men preferentially, women did not do the same to other women. What might explain this effect? In Ely’s (1994) examination of professional women’s same-sex relationships at work, the proportional representation of women in the upper echelons of law firms impacted the quality of same-sex relationships in the organization. Specifically, when high status women were scarce, women’s same sex relationships were more negative than when high status women were abundant. It follows that, if high status women are scarce in the MBA classroom (or women at all, regardless of status), then it may have led female buyers to attempt to enhance their individual status (via competitive tactics like deception) rather than maintaining solidarity with female sellers. Exploring how the numerical composition of the MBA classroom impacts women’s same-sex competitive interactions is a worthwhile direction for future research.
Conclusion

A growing body of literature highlights the unique obstacles facing women negotiators. The current research contributes to this literature by identifying a gender bias in ethical decision making, resulting in women being deceived more so than men. Underlying decisions to deceive women are pernicious gender stereotypes about their ease of being misled. As stereotypes drive gender differences in bargaining (Kray & Thompson, 2005), the current work suggests removing women from the “typically easy to mislead” category in negotiators’ minds is an important challenge in the quest to level the playing field.
FOOTNOTES

1 Human subject approval for analyzing the archival dataset was obtained post-hoc.

2 Although theoretically it is also possible that the seller would lie to the buyer, historical data suggests this behavior was extremely uncommon in this particular simulation. As such, only buyer lying behavior was measured.

3 The sample includes 80.11% of students enrolled in the course. Lack of response may be due to absence (in which case students did not participate in the negotiation) or lack of completion of post-negotiation survey. Dyads were included if at least one member of the dyad submitted a post-negotiation survey. Because some dyads only had one respondent, degrees of freedom vary across analyses.

4 Lie admissions did not vary over time ($\chi^2(2, 131) = .90, p = .40$), suggesting contamination was not a problem.

5 The two descriptions were matched in desirability of traits.
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Table 1.

Study 1: Means, Standard Deviations, and Correlations between Variables.

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<tr>
<td>2. Buyer Deception (B)</td>
<td>2.05 (1.50)</td>
<td>.38**</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Buyer Deception (S)</td>
<td>2.50 (1.63)</td>
<td>.37**</td>
<td>.48**</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Buyer Honesty (B)</td>
<td>5.43 (1.72)</td>
<td>-.69**</td>
<td>-.50**</td>
<td>-.56**</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Buyer Honesty (S)</td>
<td>4.91 (1.74)</td>
<td>-.22</td>
<td>-.20</td>
<td>-.34**</td>
<td>.33**</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Subjective Exp. (B)</td>
<td>3.73 (0.85)</td>
<td>-.35**</td>
<td>-.09</td>
<td>-.13</td>
<td>.50**</td>
<td>.22*</td>
<td>--</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Subjective Exp. (S)</td>
<td>3.83 (0.76)</td>
<td>-.11</td>
<td>-.07</td>
<td>-.14</td>
<td>.31**</td>
<td>.63*</td>
<td>.29**</td>
<td>--</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Agreement</td>
<td>0.75 (0.43)</td>
<td>.05</td>
<td>.15</td>
<td>.28**</td>
<td>.00</td>
<td>-.05</td>
<td>.23**</td>
<td>-.06</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>9. Sale Price (in millions)</td>
<td>19.37 (2.92)</td>
<td>-.04</td>
<td>-.15</td>
<td>-.15</td>
<td>.21</td>
<td>.04</td>
<td>-.12</td>
<td>.09</td>
<td>#</td>
<td>--</td>
</tr>
</tbody>
</table>

Notes. Variables with a (B) in parenthesis indicate responses from the buyer; variables with an (S) indicate responses from the seller. Buyer Deception variable represents independent coding of buyer and seller descriptions of buyers’ intended use of the property. # signifies a relationship that could not be computed.
Table 2.

Study 1: Buyer Lie Admissions by Buyer Sex and Seller Sex

<table>
<thead>
<tr>
<th></th>
<th>Female Seller</th>
<th>Male Seller</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Female Buyer</strong></td>
<td>10.00%</td>
<td>11.76%</td>
<td>11.10%</td>
</tr>
<tr>
<td></td>
<td>(n =10)</td>
<td>(n =17)</td>
<td></td>
</tr>
<tr>
<td><strong>Male Buyer</strong></td>
<td>25.60%</td>
<td>3.77%</td>
<td>11.50%</td>
</tr>
<tr>
<td></td>
<td>(n =43)</td>
<td>(n =52)</td>
<td></td>
</tr>
<tr>
<td><strong>Overall</strong></td>
<td>20.70%</td>
<td>6.58%</td>
<td></td>
</tr>
</tbody>
</table>
Table 3.

Study 3B: Means and Standard Deviations by Gender Stereotypes.

<table>
<thead>
<tr>
<th></th>
<th>Feminine ($n = 45$)</th>
<th>Masculine ($n = 37$)</th>
<th>Control ($n = 51$)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expected Price</strong></td>
<td>$1135.56_a (124.14)$</td>
<td>$1074.19_b (90.35)$</td>
<td>$1096.08_{ab} (80.53)$</td>
</tr>
<tr>
<td><strong>Threat of Retaliation</strong></td>
<td>3.53$_a$ (1.46)</td>
<td>4.93$_b$ (1.38)</td>
<td>3.84$_a$ (1.44)</td>
</tr>
</tbody>
</table>

*Note. Means in the same row that do not share subscripts differ at $p < .05$*
Figure Captions

Figure 1: Study 1: Coded Buyer Deceptiveness by Negotiator and Seller Sex

Figure 2: Study 1: Distribution of Type of Buyer Lies in Seller’s Reports by Seller Sex

Figure 3: Study 1: Buyer Honesty by Negotiator and Seller Sex
Gender Discrimination

![Bar chart showing Negotiator Rating for Seller and Buyer by Gender]

- **Buyer Honesty**
  - Female Seller: 5.0
  - Male Seller: 4.7

- **Seller Honesty**
  - Female Seller: 5.0
  - Male Seller: 4.7