

”Happy-happy” business negotiation – agreements beyond ”win-win”

Jens Eklinder Frick
University of Uppsala
Jens.Eklinder.Frick@hig.se

Lars-Johan Åge
University of Gävle
ljg@hig.se

Competitive paper

The Research background - describes the business negotiation literature as historically dominated by a transactional perspective, which has affected the conceptual discourse as well as the scope of interest for empirical studies. Assumptions that arise from this transactional perspective includes the notion that (1) business negotiations are a linear process that follows episodic or stage models. (2) That business negotiations are geared towards an outcome in the form of a one-time exchange. (3) That the value of the negotiation outcome is often expressed in economic or mathematical terms. (4) That negotiation research focuses on the single negotiator or negotiation in a dyad. (5) That the research historically has viewed negotiation as a “zero-sum” game. Viewed from an interactional perspective, influenced by IMP theory, there is good reason to challenge these five assumptions within the business negotiation literature. The interactional perspective goes beyond the dyadic perspective and views value creation as emanating from the mutual adaptation of resources that takes place between several interacting actors within a network context; a view that is incompatible with the five assumptions posed above.

Methods – This is a theoretical paper

The purpose of this paper - is to analyse and discuss the differences in the way that central aspects of negotiations such as the process, outcome, value, actors and resources are conceptualized in both the business negotiation and in the IMP literature. Also, we will discuss and analyze managerial implications that come from the inclusion of IMP perspective into the business negotiation research.

The main contribution of this paper – is to divide the business negotiation literature into the transactional and interactional perspectives and then discusses the concept of “win-win” and the way it is used in negotiation research. An alternative concept is suggested to describe that negotiations is non-linear and focusing on mutual interdependence, emphasizes value creation, networks and mutual adaptations. This concept is thus more interactional and is dubbed “happy-happy” negotiation outcome.

Keywords: Business negotiation, win-win, interactional perspective, negotiation outcome

INTRODUCTION

Negotiations, being defined as intra-personal decision making processes where at least two parties with at least partly different interests try to come to a joint agreement decisively impact companies' profits. In today's increasingly competitive business-to-business markets, sellers and buyers alike are experiencing increasing pressure to achieve the best possible result in each transaction. Consequently, the successful management of negotiations has become increasingly important (Guo & Lim, 2005; Herbst, Voeth & Meister 2011). Herbst et al. (2011) argued that the analysis of business negotiations "should be of key importance in marketing research".

Buyer-seller negotiations play a key role in business-to-business markets, since the majority of exchange conditions (e.g., price, delivery time, quantity) are negotiated between the partners in a supply chain. In this sense, Alderson (1957, p. 133) refers to negotiations as the "crowning process of business effort" and Bonoma and Johnston (1978, p. 218) even suggest that industrial purchases in general are best viewed as "negotiated settlements".

However, negotiation research thus far has tended to focus on individual skills and on the examination of isolated dyadic interactions (Mouzas, 2016; Herbst et al. 2011; Thomas, 2013). Also, business negotiation research largely ignores the fact that the nature of industrial business is predominantly relationship-based, rather than transactional (Moosmayer, Chong, Liu & Schuppar, 2013).

Contrary to the main stream negotiation research, the IMP tradition concerns the study of the business networks as outcomes of extended interactions over time. Subsequently, without interaction there can be no actual economic resources, no real economic activity, no meaningful economic actors, and accordingly no economic value creation (Håkansson & Olsen, 2015). This interactional view upon the market has spurred the saying that "no business is an island" (Håkansson & Snehota, 1989) indicating the interdependence of economic actors.

Similarly, Mouzas (2016) also argue that negotiators' environments are not faceless; rather, negotiators are embedded in networks of business relationships. Hence, Mouzas (2016) paraphrases Håkansson and Snehota (1989) and posit, "no negotiation is an island". Indicating that each negotiation affects and is affected by other negotiations in networks of business relationships.

Guercini and Runfola (2005) suggest that further research in the area of network negotiations could create a better understanding of how mechanisms of negotiations interact with contextual parameters and create conceptual clarity to interactions in business relationships. Similarly, Håkansson and Olsen (2015) calls for research that looks more deeply into such problems as the appropriation of collectively created economic values, and the problem of distribution of such values, in interacted networks. Thus, furthering the conceptual understanding of negotiation is regarded as contributory towards research within the IMP tradition. Introducing the perspective of the IMP tradition into business negotiation research would thus help in furthering the

critique already posed within this stream of research towards its transactional, linear and dyadic focus.

The purpose of this paper is to analyse and discuss the differences in the way that central aspects of negotiations such as the actors, process, outcome, value, and resources are conceptualized in both the business negotiation and in the IMP literature. Based on this discussion, this paper contributes to both the IMP research tradition and to the field of negotiation research by presenting a new perspective on business negotiations. Also, we will discuss and analyze managerial implications that come from the inclusion of IMP perspective into the business negotiation research.

THE ACTORS

The business negotiation literature

The way that the actors are conceptualized within the field of business negotiation is stemming from a perspective that focuses, and measures, the negotiation outcome. Moreover, the outcome is often regarded as the dependent variable which put attention on the negotiation parties and the extent to which they affect the actual result (Thompson, 1990, Weiss, 1997). The negotiation parties are often described in terms of a dyadic relationship that is analyzed in terms of individual variables or in terms of the relationship between the parties.

When the individual variables are to be described the focus is on the traits of the negotiator and common themes are, for example, negotiator experience and skills (e.g. Steinel et al., 2007; O'Connor & Adams, 1999; Manning & Robertson, 2004; Murnighan et al., 1999), negotiation training and feedback (Ahn et al., 2010; ElShenawy, 2010; Salacuse, 2010; Coleman & Lim, 2001; Weingart et al., 1996; Rees & Porter, 1997a, 1997b; Stevens & Gist, 1997; Kim et al., 2003). Negotiator personality is also a common theme in this category, for example, confidence (Galasso, 2010; Lim, 1997), open-mindedness (Ma & Jaeger, 2005), cognitive ability (Schei et al., 2006; Barry & Friedman, 1998), emotional intelligence (Mueller & Curhan, 2006; Kim et al., 2014; Ogilvie & Carsky, 2002; Foo et al., 2004) and nervousness (Brooks & Schweitzer, 2011).

Sometimes the perspective is lifted from the characteristics of individual participants in favor for what takes place in the relationship, for example, prior experience and prior outcomes, (Kass, 2008; Steinel et al., 2007; O'Connor et al., 2005; O'Connor & Arnold, 2001) or knowledge and understanding (Mumpower et al. 2004, Mintu-Wimsatt & Calantone 2000, Buelens & Van Poucke 2004, Garcia 2002), perceptions and feelings (Van Kleef et al. 2004a, 2004b, Allred et al. 1997), power relations and status (Kim et al., 2005; Anderson & Thompson, 2004; Wolfe & McGinn, 2005; Ball & Eckel, 1996; Christen, 2005; Kim, 1997).

Regarding negotiation dyad compositions, some studies addressed how this affects the negotiation process and its outcome. E.g., O'Connor (1997) investigated how the dyad's negotiation motives (here seen in terms of individualistically or cooperatively-oriented dyads) were related to information exchange and how this affected

perceptual accuracy (e.g. mistaking integrative issues for distributive ones, understanding of each others' motivational structure) as well as outcomes.

Thus, the focus in the business negotiation literature is often on two actors interacting in a dyadic relationship, but sometimes the traits of the individual actors are also conceptualized as a variable worth considering. However, the actors are seen as isolated from their context and the relational aspects considered are only dyadic in nature.

The IMP perspective

The tagline of "no business can be an island" (Håkansson & Snehota, 1989) exemplifies the focus of the IMP perspective. It highlights that value is not being created within any single business unit, but through the interaction between the business unit and its surrounding network. This notion rests on the belief that it is through the combinations of heterogeneous resources that value is being created and these resources are often not controlled by a single business unit (Penrose, 1959; Håkansson & Snehota, 1989; Baraldi et al., 2012). Following this logic, business strategy cannot realistically be regarded as an individual-company activity, since any business actor is forced to operate in a complex network of other actors (Ford & Mouzas, 2008). Hence, Ford and Mouzas (2008, p 64) argues that 'in these circumstances, strategy is more usefully conceived of as a matrix of interdependencies that connects the structure and process of a network and that confronts the existing with the evolving.' Managers, therefore, have to realize that their organizations are not free, independent or immune to the initiatives of other organizations. Also, managers' command and authority does not necessarily ensure the desired co-operation and commitment of other actors in their network surroundings (Mouzas, 2016).

When strategy is seen in such a light the issue of business negotiation takes on a different connotation. Negotiation is thus seen as a process by which interdependent organizations, with different backgrounds and potentials and different interests and goals, seek to do better through jointly agreed action (Mouzas, 2016). This perspective goes beyond the tradition of seeing business negotiation as isolated examinations of dyadic, interpersonal processes of bargaining and move on to examine the impact of single negotiations on other negotiations in a network context (Mouzas, 2016).

There is obviously literature that addresses the complex problem of aligning parties with different interests and that sees negotiation as a multiple player endeavor (Bazerman et al., 2001). However, existing negotiation theory treats every negotiation with multiple players as a decision-making problem of one single situation, subsequently failing to recognize that firms do not conduct multilateral negotiations.

This means that negotiations are not separate from each other and everyone thus negotiates "in the same room" (Mouzas, 2016). What the negotiation literature fails to address is that firms conduct simultaneous dyadic negotiations in a web of business relationships and their dyadic negotiations hence have impact on other dyadic negotiations (Mouzas, 2016). Hence, it is 'effectively impossible to isolate the effects of any one action, reaction or re-reaction or its significance for the structure of the

network as a whole or for different actors within it' (Ford & Mouzas, 2008). Thus, negotiations in dyadic contexts both influence and are themselves influenced by the negotiations taking place in the network (Guercini & Runfola, 2005).

If business negotiations are not undertaken in a vacuum and one negotiation is also dependent and affected by other business negotiations, this will change the focus in the business negotiation literature. Instead of considering the aspirations of a single actor in a dyadic negotiation situation the literature must shift its focus towards considering the network of that actor. This will raise a whole new set of strategic questions for the business negotiator that the literature needs to address. In relation to conducting business negotiation within a network context Håkansson and Olsen (2015) posed the relevant questions 'Can the company build on some existing deals? Can the company achieve other deals if it enters this particular new deal? How can the company adapt the deal to work better in relation to existing and potential deals?'

These questions offer a new avenue of research for the business negotiation literature that reshape the view of what constitute the "actor" that perform the negotiation.

THE BUSINESS NEGOTIATION PROCESS

The business negotiation literature

The view of negotiation as a process is based on the idea that negotiations are acts of communication between different parties that have different preferences, but are trying to find ways to collaborate and to reach an agreement (Jochemczyk & Nowak, 2010; Brett et al., 1998; Butt et al., 2005; Butler, 1999; Murnighan et al., 1999; Van Bove et al., 2003, Putnam & Roloff, 1992). One way of describing negotiation communication processes in the extant literature is in terms of integrative and distributive processes (Gelfand & Brett, 2004). The idea of integrative and distributive processes is prominent within the field of business negotiation research and is based on a study by Walton and McKersie (1965), who suggested that a negotiation process consists of four sub-processes: distributive bargaining, integrative bargaining, attitudinal bargaining and intra-organizational bargaining. The processes of distributive bargaining and integrative bargaining have since received model status within the field of organizational and business negotiation, and later research has looked upon them as either two separate strategies or as two dimensions that are present to a varying extent in all negotiations (Gelfand & Brett, 2004)

A second way of describing negotiation processes is in terms of different phases, which suggests that a negotiation process goes through an evolutionary process that includes both integration and distribution (Putnam, 1990). Such an evolutionary process is often described as consisting of different steps or stages (Filmoser & Vetschera, 2008; Adair & Brett, 2005; Menkel-Meadow, 2004; Kolb, 2004; Stuart, 2004; Johannessen et al., 1997; Olekalns et al., 1996, 2003). At least three steps are traditionally identified, including (1) planning or preparation, (2) negotiation, bargaining, or interaction, and (3) striking a deal. Some scholars suggest other steps, such as relational positioning, identifying the problem, generating solutions, and reaching agreement (Adair & Brett, 2005).

Some studies also try to move away from traditional ways of describing negotiations as processes of sequential phases, focusing on, e.g., “critical moments” (Putnam, 2004). Another term used is “turns” (Kolb, 2004). “Moves” is yet another term, e.g. used by Stuart (2004) who suggests that all parties can potentially benefit from surprising moves by one of the parties. Another way of looking at the negotiation is as a process of problem definition, information processes and situational framing (Johannessen et al., 1997).

To conclude, even if some studies tries to broaden the scope away from strictly sequential models of description, it is evident that a perspective that excludes the environment and the context characterizes the perspective on process within the business negotiation research.

The IMP perspective

Within the IMP perspective most of the theoretical frameworks describing buyer-seller relationship emphasize its interactive (e.g. Håkansson 1982, Turnbull & Valla 1986, Ford et al. 1986), dynamic (Ford 1980, Ford et al. 1986, Wilson & Möller 1995), ongoing (Dwyer et al. 1987) complex (Anderson & Narus 1990) and embedded (Anderson et al. 1994) characteristics (Mandják & Durrieu, 2000). These tenets underlie all interaction between parties in a business setting and therefore also create the foundation for the business negotiation process as seen from the IMP perspective.

Adding to the complexity and embedded nature of the buyer-seller relationship within the IMP perspective is that buyer-seller relationships in business markets generally embrace multiple products/services that change over time. Also, these relationships always involve activity coordination and intense interaction of various actors of the firms involved (Ciabuschi, Perna & Snehota, 2012; Ford, Gadde, Håkansson, & Snehota, 2006). Also, the resource assembly that constitutes any new business deal might involve more than simply aggregating existing resource elements (Ciabuschi, Perna & Snehota, 2012). When a new business deal combines new solutions with existing ones it is subsequently hard to know what value such new combinatory powers will generate. There will hence be a need to continuously oversee and reevaluate any business deal as the combinatory powers of the resources involved become apparent. Thus, both the resources assembled in a business, and the resource constellation in a given business context, evolve continuously as necessary adjustments create new functional resource interfaces (Baraldi & Strömsten, 2006).

Further, Ciabuschi et al. (2011, p. 7) posit that ‘developing a workable resource combination requires both adjusting the tangible resource elements (e.g., engines, gearboxes, and instrument panels) and reconfiguring the actors' activities. This adjustment process can lead to far-reaching changes in routines and processes in production, administration, and logistics.’ Thus, Ciabuschi et al. (2011, p. 7) claim that ‘interaction among the parties involved makes resource assembly nonlinear’. In other words, if the outcome of any new business deal is “hidden” (Gadde, Huemer & Håkansson, 2003) because of the changing and interactional nature of resource combinations it is impossible to capture the process of negotiating in linear or sequential models. If the interactional nature of business exchange makes it impossible to “freeze” any value generating mechanisms in time. Or the combinatory

aspects of value creation makes it impossible to foresee any business value beforehand, it will be impossible to capture the negotiation process in a step by step process. Instead, the process must be seen as a dynamic, explorative and intuitive balancing act without any real beginning or end, just as the development of any lasting relationship.

Any business negotiator is embedded in its context and also often already involved in a interdependent relationship with its opposing negotiation party. To neglect such aspects when it is in relation to such a context the value behind the negotiation outcome is generated is misleading. Setting a predefined goal and reaching a predefined outcome is in other words not possible and stage or step models that rely on such logics subsequently deny the fabrics of real value creation within business.

THE BUSINESS NEGOTIATION OUTCOME

The business negotiation literature

Within the business negotiation field the term “negotiation outcome” commonly denotes the outcome of the negotiation process (Thompson, 1990). This view reflects a perspective that background factors affect the negotiation process and the negotiation process determines the outcome (Weiss, 1997, Druckman, 1973).

Regarding outcomes in business negotiations the main school of thought is based on economic rationality and is anchored in economics decision game theory and can be labeled as “goal-gain” (Weiss, 1997) and is a cost benefit calculation. Simply put, to compare the gains from the counterpart’s offerings with ones own goals. This view has led to its own terminology such as “aspirations prices”, “reservation prices”, “targets” and “alternatives to a negotiated agreement” (BATNA) (Walton & McKersie, 1965, Fischer & Ury, 1981). After the introduction of interest-based negotiation (Fischer and Ury, 1981), such a goal and gain perspective has been complemented by the joint benefit or integrative criteria (Thompson, 1990). Within these perspectives, distributive negotiations are in focus, with a small number of negotiation issues, since outcomes of multi-issue negotiations and integrative negotiations become complex or even impossible to characterize in such terms.

Regarding the outcome of negotiation the discourse within the literature has been dominated by the study of economic variables (Thomas, 2013). The economic variables reported most often are profit (Roth et al. 2006; Calhoun & Smith 1999; Stuhlmacher & Walters 1999; Neu et al. 1998; Campbell et al. 1988) and final agreed or settlement price (Srivastava & Oza 2006; Roth et al. 2006; Kaufmann & Carter 2004; Min et al. 1995; King & Hinson 1994; Gupta & Livne 1989). This focus is explained by the literatures roots in game theory and decision analysis (Von Neumann & Morgenstern 1944; Nash 1950; Luce & Raiffa 1957; Roth, 1985) and economic negotiation outcomes have thus theoretically been heavily influenced by game theory (Herbst et al. 2011; Thomas, 2013).

However, some discontent with the explanatory power of economic negotiation outcomes has led to a shift in focus of some negotiation research (Barley, 1991). Psychological perspectives gained popularity in their application during the 1980s and 1990s, even if such negotiation outcome research is still limited relative to economic

negotiation outcome research (Thomas, 2013). Historically, the negotiation field has been dominated by a focus on economic outcomes defined as the explicit terms of an agreement (Curhan, Neale, Ross & Rosencranz-Engelmann, 2008).

Besides the focus on economic variables in the exchange, the majority of economic negotiation outcome research has also utilized laboratory or field experiments as well as simulations when analyzing the outcome of negotiations (Herbst et al. 2011; Thomas, 2013). In fact, over 87% of the buyer-supplier negotiation articles in a content review study utilized laboratory experiments or experimental simulations (Buelens et al. 2008).

The focus on rigged experiments, where economic outcomes are sought in accordance with a game theory perspective has according to Thomas (2013) cemented the focus on the competitive negotiation strategy within the literature. A competitive negotiation strategy is defined as the ‘attempt to resolve conflicts through the implicit and explicit use of threats, persuasive arguments, and punishments’ (Ganesan, 1993, p.186), where a one-time or short-term agreement is believed to be the favored outcome (Lewicki et al., 2001). There is however some research that focuses on a collaborative negotiation strategy where the goal is to resolve the parties’ differing interests and deliver joint benefits for both parties (Pruitt 1981; Zachariassen 2008). The apparent lack of research focus on relational outcomes is according to Thomas (2013) somewhat surprising given the popular body of buyer-supplier relationship literature and the inter-firm relationship focus that has come from supply chain management initiatives (Zachariassen 2008; Atkins & Rinehart 2006).

This focus within the business negotiation literature described above is referred to by Runfola and Guercini (2005) as a transactional orientation and they also conclude that most studies essentially directed attention to negotiating processes within such a transactional logic. Runfola and Guercini (2005) however suggest that business negotiation should apply a relational orientation where the negotiating parties are concerned with achieving future objectives as well as short-term, and thus concentrate both on current and future results.

The IMP perspective

Considering that the IMP perspective believes business to be an outcome of the long-term interaction between several actors within a network context (Håkansson & Snehota, 1989; Baraldi et al., 2012), a relational orientation follows logically from such a perspective. For instance, Mouzas and Araujo (2000) argue that most agreements between manufacturers and retailers are in a process of an on-going modification as time goes on (Mouzas & Araujo 2000). Seen from the IMP perspective these modifications are not the result of an explicit agreement or promise but the outcome of a real day-to-day construction and negotiation as manufacturers and retailers interact with each other over time (Mouzas & Ford, 2003). Transactional orientations in negotiations, where a one-time exchange of predominately economical transactions are in focus, do not from the IMP perspective capture the real outcome of a business exchange. Thus, a transactional orientation is not consistent with how value is conceptualized within IMP theory and applying such an orientation in term of outcome variables is subsequently not apt.

THE VALUE CREATION PROCESS WITHIN BUSINESS NEGOTIATIONS

The business negotiation literature

As a result of the origins of the field in the study of choice and expected utility within economics, negotiations are often being portrayed as economically motivated or strategic interactions best practiced by rational, unemotional actors (Curhan, Xu & Elfenbein, 2006; Bazerman, Curhan, & Moore, 2001).

Thus, this “gain-loss” perspective on negotiation is also central when it comes to describing what is of value in a negotiation, but researchers have also incorporated subjective, social and psychological factors and thus challenging the rationalist assumption that negotiations are performed by actors without feelings and emotions. Since the 1960s and 1970s, the use of perceptual and attitudinal measures as dependent variables within studies of negotiation has steadily been increasing (Curhan, Xu & Elfenbein, 2006).

Shortly put, description of value in negotiation research fall into two broad classes: economic and social psychological (Thompson, 1990). Economic values focus on explicit aspects of the negotiation process, for example, whether an agreement has been reached, how much has been created or how resources are being distributed among the participants (see also Nash, 1953). As argued by (Thompson, 1990) social psychological measures in negotiation are grounded in social perception and consist of three important elements: perceptions of the bargaining situation, perceptions of the other party, and perceptions of oneself.

Regarding the bargaining situation, it is about perceptions of the process, structure, scripts, perceived fairness. Perceptions of the other party, on the other hand, can be both individualistic and dyadic, that is, what the negotiator thinks about the counterpart and what the perceptions are regarding the relationship with the counterpart (Thompson, 1990). Finally, the negotiators have perceptions of themselves and their actions during the negotiation process in a way as were they observing themselves from the outside.

This tendency is to some extent also found in the negotiation literature. As previously mentioned the business negotiation literature has its roots in game theory (Herbst et al. 2011; Thomas, 2013) which has according to Mouzas (2016) given negotiation theory simple but elegant mathematical models to express the perceived dichotomy between the negotiator and the environment. However, according to Mouzas (2016) the examination of value creation has broadened to consider negotiators' preconceptions and flaws in decision making (Kahneman & Tversky 1979, 1984; Bazerman & Neale 1992; Bazerman et al. 2000; Sunstein & Thaler 2008) and social and personal factors as well as barriers to dispute resolution (Fisher & Ury 1981; Mnookin & Susskind 1999; Mnookin, Peppet & Tulumello 2000; Thompson 2001; Mnookin 2003; Nelson & Wheeler 2004).

Thus, Mouzas (2016, p.10) suggest that ‘recent advances in behavioral studies have provided intriguing insights into behavioral biases and decision-making errors but they have not fundamentally challenged negotiation models that are based on a dichotomy between the negotiator and the environment’. Classic negotiation analysis

presumes that individual actors maximize their personal utility and that firms maximize corporate profits in a given environment, but Mouzas (2016) posit that wise trades are more likely to occur among actors who see the broader picture of their environment and the connectedness of their actions.

The IMP perspective

From the IMP perspective no negotiation takes place in isolation since each negotiation is part of a complex relationship between and among businesses (Mouzas, 2016). The network context in itself postulate that each negotiation affects and in turn is affected by the other relationships and negotiations within the network (Håkansson & Snehota, 1989). Thus, since value occurs in the combination and recombination of heterogeneous resources (Penrose, 1959), it is within the network context where value creation should be sought in the business negotiation process (Håkansson & Snehota, 1995; Baraldi et al., 2012). This elevates the environment to be conceptualized as something more than merely the psychological, social, and cultural factors that affect autonomic decision making, it highlights the environment as the true value creating mechanism behind every negotiation outcome.

Within business negotiation literature it is also commonplace to focus on the contract as a formalized outcome of the negotiation process (Mouzas & Blois, 2013). However, according to Mouzas and Blois (2013) contract theory fails to adopt a relational paradigm. This because “it is bound to remain out of touch with reality and riddled with fiction, and thus fail to explain precisely what it sets out to explain” (Kimmel, 2007, p. 250). Hence, the contract or the formal agreement between two parties might fail in capturing the true value creation that such an agreement is meant to initiate.

From the IMP perspective Håkansson and Olsen (2015, p.207) postulate that each deal has its own history as it is a construction of two interacting firms that are influenced both by the joint social-material value creation processes and the specific features of monetary flows and appropriations of gains and losses that result from these interactions’. Mouzas and Blois (2013) relate the structure of outcomes in business negotiation to the aspect of the “framework agreement” and define the logic behind such as to, firstly, reduce the costs in terms of time and effort to select, manage and oversee single exchanges; secondly, provide certainty regarding the conditions under which exchanges may take place; and finally, reduce information asymmetry by providing a platform for continuing inter-action and coordination. Understanding such framework contracts is hence according to Mouzas and Blois (2013) a significant form of interaction between organizations and, as such, understanding them adds to the IMP model as explained by Axelsson (2011) and Ford et al., (2010).

But looking at the formal characteristic of the contractual exchange is according to Håkansson and Olsen (2015) not enough to fully grasp the value creation mechanism of business negotiations or the strategy of making inter-organizational deals. They postulate that the money distributive dimension is not mirroring the social-material structure that delivers user-value or other economized outputs to the involved actors. Value is created when varying heterogeneous resources are combined and only one part of these resources could constitute the monetary flow. Hence, the

deal structure is a different, but related, structure to the structures that are the real value generating mechanisms. One of the early and still important results emanating from IMP research is that business relationships to a large extent are informally related (Håkansson, 1982; Håkansson & Johanson, 1987; Håkansson & Snehota, 1989). The relationship hence creates the avenue for value creation and only a small part of this dynamic is the deal structure of formal agreements.

Instead, much of the processes that constitute the exchange of value are highly diverse, complex and multidimensional, which makes them impossible to describe in precise ways in deals or other formal contracts (Håkansson & Lind, 2004). Hence, Håkansson and Olsen (2015, p.212) argues that ‘business to business deals more generally can be seen as negotiated agreements in between the social-material activities aimed at collective value creation processes on the one hand, and on the other hand the associated money-handling processes in which economic value has become a homogeneous monetary resource; money’. This sentiment indicates that the deal structures are attempts in making the heterogeneous value inherent in the social-material activities into value that can more easily be measured in an objective way since the value of money are inherent to agreed upon currency. Heterogeneous value mechanisms are hence ordered into homogenous value structures when deals are negotiated. Or as Håkansson and Olsen (2015, p. 215) puts it ‘a deal can be seen as the result of an interactive business relationship where the basic problem is the difficulty to relate the heterogeneous social-material interactions to the homogeneous monetary sub-processes’. Subsequently, through the IMP perspective the formal deal structures or the monetary flows are only seen as attempts in mirroring the true value creation; not what represents the actual value in itself.

RESOURCE ALLOCATION WITHIN BUSINESS NEGOTIATION

The business negotiation literature

Often, negotiation parties in the business setting often tend to assume that they are in a “win-lose” game even if they are not. Instead of viewing the negotiation as a value creating opportunity they tend to look upon it as the classic assumption of a “fixed pie” (Bazerman, 1983). The reason for this is that they are generalizing from a “win-lose” to situations that are not and this tendency is based on our biological programming to focus on losses rather than gains (Baron, Bazerman & Shonk, 2001, Kahneman & Tversky, 1979). They are thus missing out on “wise trades” that presuppose that the parties can explore joint opportunities that are not on the table (Baron, Bazerman & Shonk, 2001).

As previously mentioned the business negotiation literature has its roots in game theory. This led to a perspective in which maximizing one own utility or gain was central. This distributive, or “win-lose”, perspective on the negotiation was dominating in which the act of “claiming of resources” were the central activity undertaken by the parties. When parties claim resources in such way, the nature of the resources are often presumed to be fixed, such as money.

The last decades the idea of “creating resources”, or integrative negotiation (Fischer et al, 1981) in which additional values, benefits and resources are being identified. The

economic definition of integrative bargaining is precise and refers to whether negotiated outcomes are efficient, or pareto optimal (Thompson, 1990). In more practical terms, integrative, or “win-win” solutions are often achieved by the act of “logrolling” implying that the parties exchange and make trade-offs between issues so that each party gets all or most of his or her preferred outcome on important issues but concedes on issues of little importance (Pruitt & Rubin, 1986).

Still, such a “win-win” perspective is preoccupied with the dyadic composition and what’s on the table based on the fact that even if resources are being identified they still have to be distributed among the involved parties. For example, Lax and Sebenius (2002) have suggested a new perspective on negotiation in which the integrative dimension is the second dimension, but the third dimension involves entrepreneurial moves in which negotiators “change the game” by improving their situation “away from the table” and thus creating new value opportunities and thus new resources for all parties.

Such shift in perspective requires the negotiator to stop viewing themselves as a separate unit and instead look upon them as part of a greater whole (Bigelow, 1992; Mouzas, 2016). Despite these advantages for all parties, empirical research has shown that negotiators consistently overlook opportunities and ignore possibilities to create value (Bazerman, Baron & Shonk 2001).

The IMP perspective

Within the IMP perspective value is seen as emanating from the combination of heterogenous resources (Penrose, 1959; Håkansson & Snehota, 1989). This perspective indicates that the value is not inherent to the resources themselves but in the interaction between them (Håkansson & Waluszewski, 2002; Baraldi et al., 2012). Also, one can only consider a resource as such if producers and users can attribute to it a current or potential use (Håkansson & Snehota, 1995; Snehota, 1990). If the value of the resources is in their use and use is defined as the combination of resources, the zero-sum game aspect of negotiation fails, since controlling all the resources do not automatically suggest that you might be able to control all the value.

Huemer, Becerra and Lunnan (2004) claim that business relationships across organizational boundaries are often imbued with an idea of winning that entails someone else losing. In this way, competition becomes the focus of strategy in and between conflict- and rivalry-infused relationships. But in an industrial network the conventional idea about winning the zero-sum game is transformed (Huemer, Becerra & Lunnan, 2004). Winning becomes participating in the process of network evolution in such a way that you become a viable participant in the restructured networks that evolve (Wilkinson & Young, 2002).

Thus, transactions within the IMP perspective are not the result of the acts of antagonistic actors, zero-sum games, where what one wins always means a loss for the other. IMP theory sees business actors as interdependent actors in a wider network of inter-connected relationships (Håkansson & Snehota, 1989, 1995). This perspective challenges the idea of autonomous companies with complete knowledge interacting through market transactions and therefore makes assumptions such as the zero-sum game theory obsolete (Abrahamsen & Håkansson, 2015). Similarly, Gadde, Huemer

and Håkansson (2003, p. 358) posit that ‘winning in the traditional zero-sum contest type of relationship implies that someone else has to lose, and competition becomes the strategic focus in and between conflicting and rival relationships’. If value is in the combination of and interaction between the resources brought to a relationship, this assumption needs to be rejected since value is to be found in the cooperation between interacting actors (Ford & Håkansson, 2013; Ricciardi & Cantù, 2011). The zero-sum aspect of business negotiation is hence not apt if the IMP perspective on the market is adapted into business negotiation literature.

DISCUSSION

In the early days of what later became the IMP perspective Håkansson, Johanson and Wootz (1976, p. 319) studied sellers and producers of industrial goods and concluded that instead of focusing on such issues as ‘advertising, sales promotion, personal selling, technical service, delivery, quality and price’ in choosing an individual seller this process could be more fruitfully described as ‘an interaction process between two active components’. This finding later spurred the interactional perspective towards how actors within the market find counterparts to do business with (McLoughlin & Horan, 2002). The interaction approach was heavily influenced by social exchange theory and resulted in the IMP project that included the collection and analysis of around 1,000 business relationships between industrial suppliers and customers in five European countries. The IMP project resulted in many interesting findings confirming the role of lasting relationships in the marketplace (Johanson & Mattsson 1994).

The scope of research interests within the IMP perspective has since expanded from involving the interaction between producer and user to include innovation and product development (e.g., Gressetvold, 2004; Waluszewski et al., 2009), logistics (e.g., Jahre et al., 2006), Science and Technology Studies, STS (e.g., Waluszewski, Baraldi, Linné, & Shih, 2009), and management control/accounting (e.g., Lind & Strömsten, 2006) among others (Baraldi et al., 2012). The IMP approach has its foundation in studying the relation between sellers and producers of industrial goods (Håkansson et al., 1976) and turning its focus to business negotiation can thus be seen as a return to its roots. Still, Guercini and Runfola (2005) believe that studying business negotiations would create conceptual clarity to the overall interpretation of interactions in business relationships, and Håkansson and Olsen (2016) calls for research that looks more deeply into the problem of distribution of values in interacted networks. It thus seems that much is still to be done in conceptualizing what can be described as the core of the interactive approach, the interaction between business actors or the business negotiation. However, this paper has as its focus to widen the conceptual understanding of the business negotiation literature as a whole, and to offer further support to the voices within this literature that are searching for a more interactive and relationship based conceptualization of negotiation process and strategy.

The basis for the critique posed in this paper towards the business negotiation literature is that the literature still shows clear remnants of its history in neo-classical economics and game theory. However, the current literature on business negotiation has developed to incorporate more social psychological aspects where social perception is focus (Thompson, 1990; Thomas, 2013). The assumption of rational choice and full individual profit maximization has thus been somewhat problematized

within the literature and aspects focusing on the negotiator experience and skills (e.g. Steinel et al., 2007) its personality (Galasso, 2010; Lim, 1997), its cognitive ability (Schei et al., 2006; Barry & Friedman, 1998) and emotional intelligence (Mueller & Curhan, 2006) has been brought into the equation. Also, some attention has been brought to the common history of the negotiators, since experience of prior interaction is accounted for (Kass, 2008; Steinel et al., 2007; O'Connor et al., 2005) together with such inter-relational aspects as mutual power relations and status (Kim et al., 2005; Anderson & Thompson, 2004). Still, the business negotiation literature has regarded the negotiation process as something that can be disentangled from the wider context in which it is conducted and subsequently view dyadic negotiations as something that goes on in a vacuum (Ford & Muozas, 2008; Mouzas, 2016; Guercini & Runfola, 2005). The fact that the literature has been dominated by the utilization of laboratory experiments and simulations when analyzing its outcome (Herbst et al. 2011; Thomas, 2013; Buelens et al. 2008) are in itself a telling example of how the business negotiation is perceived as void of context. That business negotiations tend to be conceptualized into linear and sequential models where various strategies and behavior will result in different transactional outcomes is a symptom of its ever-lingering inheritance from neo-classical economics.

The IMP perspective and its interactional approach has been developed mainly as a critique towards traditional market models that rest on price mechanisms, transactional costs and rational choices, and instead stress that value is created within the business relationships that makes up the marketplace (Johanson & Mattsson, 1987). Hence, the IMP perspective do not believe that business negotiation can be understood when it is disentangled from the socio-material resource structures that form the relational networks in which the negotiations take place. No negotiation is an island (Mouzas, 2016) and no dyadic negotiation process can hence be understood when it is seen in isolation from its wider context.

The basic assumption that business negotiations are entangled within its socio-material context poses several conceptual challenges for the existent business negotiation literature to address. In this paper we have found and discussed five such conceptual challenges, which are listed in table 1. In table 1 the transactional perspective of viewing business negotiation as a disentangled process is put into relation to the interactional perspective where the process is seen as entangled into a wider context. This table hence serves to give an overview of how the different perspectives used change the conceptual assumptions of various central aspects within the business negotiation literature. These varying perspectives also serve to challenge the goal related terminology used when discussing business negotiation, in the concluding part of this paper we will address this issue.

	Transactional perspective	Interactional perspective
The actors within business negotiation	Focus on the individual actor's traits or the dyadic relationships between two actors	Focus on a network of actors where the dyadic relationship affect and are affected by other relationships.
The business negotiation process	Focus on describing sequential phases in an evolutionary and/or linear process	Focus on the nonlinear assembling of resources in a network of relationships, which consist of a dynamic, explorative and intuitive, balancing act without any real beginning or end.
The business negotiation outcome	Focus on a one-time transactional exchange of economic and monetary rewards between two actors	Focus on the long-term day-to-day resource interaction between several actors within a network context
The value creation process within business negotiation	Focus on value as captured in contractual transactions, in the form of objective monetary rewards or in terms of subjective fairness in relation to the single negotiation situation	Focus on the social-material resource structures as the true value creating mechanisms, since the formal deal structures are only mirroring value creation.
The resource allocation within business negotiation	Focus on competing for finite resources through a zero-sum game	Focus on the combining of existent resources as value lies in the interaction between resources, not in the resources themselves
Goal related terminology	Win-win	Happy-happy

Table 1: Aspects of business negotiation seen from a transactional and an interactional perspective.

The actors within the business negotiation are traditionally seen as two actors interacting in a dyadic relationship and sometimes the traits of the individual actors are also conceptualized as a variable worth considering. The actors are subsequently seen as isolated from their surrounding and the relational aspects considered are only dyadic in nature. The interactional perspective, however, argues that a single negotiation will impact other negotiations in the larger network surrounding the dyadic negotiation (Mouzas, 2016). The effect of one negotiation is thus impossible to separate from the negotiation of other interrelated negotiations (Ford & Mouzas, 2008) making business negotiations entangled into its network context.

The business negotiation process is within the transactional perspective described as the process of reaching an agreement (Jochemczyk & Nowak, 2010; Brett et al., 1998), either through back-and-forward bargaining (Gelfand & Brett, 2004) or through passing different phases in a linear or evolutionary model (Adair & Brett, 2005; Filmoser & Vetschera, 2008; Putnam, 1990). Within the interactional perspective the negotiation process is seen as involving activity coordination and

intense interaction between various actors (Ciabuschi, Perna & Snehota, 2012; Ford, Gadde, Håkansson, & Snehota, 2006). Thus, the process constitutes the day-to-day resource assembling taking place among many interdependent actors making the process nonlinear and without any final agreement phase or end-point (Gadde, Huemer & Håkansson, 2003). Just as with the development of any lasting relationship, the process is seen as a dynamic, explorative and an intuitive balancing act without any real beginning or end.

The business negotiation outcome is within the transactional perspective dominated by the study of economic variables in the form of profit (Roth et al. 2006) or final agreed price (Srivastava & Oza 2006; Roth et al. 2006). Some attention has been given to more collaborative negotiation strategies in contemporary business negotiation studies (Pruitt 1981; Zachariassen 2008), but a one-time or short-term agreement is still the main outcome focus in most business negotiation literature (Lewicki et al., 2001; Thomas, 2013). However, the interactional perspective believes business to be an outcome of the long-term interaction between several actors within a network context (Håkansson & Snehota, 1995; Baraldi et al., 2012). Hence, most agreements between manufacturers and retailers are in a process of a day-to-day on-going modification as time goes on (Mouzas & Araujo 2000). This perspective thus entail that business negotiation should apply a relational orientation where the negotiating parties are concerned with achieving profit in terms of future objectives that might change with the development of the relationship. The focus on profit in terms of one-time or short-term transactions is subsequently questioned (Runfola & Guercini, 2005).

The value creation process within business negotiation is described within the transactional perspective using either economic or social psychological reasoning (Thompson, 1990). The economic reasoning focus on the objective and explicit value received by one negotiating party and is expressed in terms of monetary rewards or other resources attained and controlled (Nash, 1953; Thompson, 1990). The psychological reasoning evaluates the actors' perception of the subjective fairness of the negotiation. Fairness is thus seen as a result of that actors believed bargaining situation, perceptions of the other party, and perceptions of oneself in relation to the negotiation value attained by that actor (Thompson, 1990). Also, this stream of literature has appreciated that behavioral biases and decision-making errors due to the individuals bounded rationality makes such appropriation of fairness rather problematic (Kahneman & Tversky 1979, 1984; Sunstein & Thaler 2008). However, both the economic and the psychological reasoning in regards to value conceptualization assume that the actor can estimate the value gained from an exchange from the formally agreed upon properties of that dyadic exchange alone. The transactional perspective on business negotiation has subsequently not fundamentally challenged negotiation models that are based on a dichotomy between the negotiator and the environment (Mouzas, 2016). From the interactional perspective value is seen as occurring in the combination and recombination of heterogeneous resources (Penrose, 1959) it is within such a network context value creation should be sought (Håkansson & Snehota, 1995; Baraldi et al., 2012). Value creation is thus impossible to understand in one-time dyadic transactions that are disentangled from the environment in which such value is utilized. The formal deal structures that are captured in contractual agreements do not fully capture the highly diverse, complex and multidimensional value creation that happen in the socio-

material resource configurations (Håkansson & Lind, 2004). The formal deal structures hence only mirror the value creation process; they are not to be considered true representations of value (Håkansson & Olsen, 2015).

The resource allocation within business negotiation is from the interactional perspective traditionally viewed as a “win-lose” game over a “fixed-pie” (Bazerman, 1983). This zero-sum game perspective is an inherited trait from the game theory roots of business negotiation and rest on the belief that there is a finite amount of resources to “fight” over. Several researchers within the business negotiation literature has challenged this assumption and introduced strategies where the negotiators can “change the game” by improving their situation “away from the table” (Sebenius, 2002), and to find ways in which to look upon themselves as not separate units but part of a greater whole (Bigelow, 1992). These sentiments indicate that the realization of that value is created within the interaction between the actors and do not solely lie in the existent and finite resources within a previously defined marketplace. However, These realizations seem to be the exception to the main steam of literature within the business negotiation literature that still rest upon the historical roots from game theory and neo-classical economics (Herbst et al. 2011; Thomas, 2013). Within the interactional perspective value is seen as existing in the combination of, and interaction between, the resources brought to a relationship (Ford & Håkansson, 2013; Ricciardi & Cantù, 2011). This perspective indicates that the value is not inherent to the resources themselves but in the interaction between them (Håkansson & Waluszewski, 2002; Baraldi et al., 2012), which rejects the zero-sum game assumption that there is a finite amount of resources to compete for. Thus, the strategic intent of winning in the traditional zero-sum contest type of relationship and hence controlling of as much of the resources as possible becomes an obsolete strategy (Gadde et al., 2003). Value is to be found in the cooperation between interacting actors, not in competition between such (Ford & Håkansson, 2013; Ricciardi & Cantù, 2011).

CONCLUSION

In this paper we put the interactional perspective in relation to the dominant perspective within current business negotiation literature, the transactional perspective. The interactional perspective suggests that no business negotiation can be disentangled from the context in which it is undertaken and seeing negotiation as a dyadic and isolated occurrence is thus not productive towards understanding its practical intentions. Thus, suggesting, “no negotiation is an island” will put several conceptual strains on traditional business negotiation literature, which we have deliberated on in this paper and summarized in table 1.

The fact that over 87% of the buyer-supplier negotiation articles are utilizing laboratory experiments or experimental simulations as their primary empirical data (Buelens et al. 2008) clearly shows that the research field is dominated by a non-contextual assumption. When conclusions are drawn from experiments and simulations these conclusions are based upon artificial conditions set by the researcher and do subsequently not portray the real conditions in which business negotiations are undertaken. The reality is thus reduced into conceptual models those fundamental logics are tested against virtual and fabricated conditions. This way of undertaking research is associated with the underlying epistemology of neo-classical

economics and game theory, showing clear remnants of such a history within the research field. These underlying assumptions have been contested by contemporary research within the field but the conceptual perspective introduced within this paper further elevate the importance of breaking loose from this tradition. The introduction of the transactional perspective challenge the neo-classical epistemology and suggest that business negotiation can not be disentangled from the context in which it is undertaken if any conclusions are to be drawn in regards to how negotiation is really performed by business practitioners. The initial conditions, the actual process, the outcome and the value generating mechanisms behind business negotiation are all due to the contextual aspects in which the specific negotiation is enacted and can thus not be explained using experimental modeling alone. Future research must thus redirect their attention to real case methodology and study how the process and outcome of real life business negotiation in dyads are affected and in turn affects other negotiations within its larger context. The interactional perspective on business negotiation suggest widening the empirical focus of the business negotiation field to incorporate extensive real-life case study methodology and hence go searching for the casual mechanisms behind business negotiation beyond the isolated dyadic interaction. This paper hence extends a call for more network and resource based view inspired research within the business negotiation field, bringing the notion of negotiation contextual circumstance into the forefront in future studies.

The managerial contributions of introducing the interactional perspective in the business negotiation literature can successfully be captured through posing a critique towards the use of the “win-win” terminology in business negotiation practice and research. The “win-win” concept is often used in the daily communication between negotiating practitioners, but the concept has some inherent connotations that we wish to draw attention to.

Firstly, the concept of “win-win” is often looked upon as an evolution from the “win-lose” concept, but is still a metaphor that is equipped with competitive associations. The interactional perspective suggests that the core of successful business negotiation is about collaboration in a network context not about competing in a dyadic setting.

Secondly, the concept of “win-win” refers to an objective outcome, where the parties are going to “win” something. However, the interactional perspective suggests that the value inherent in the business negotiation process is an on-going relational endeavor without any definite end-point. Without any real finish line to cross there can be no objective winners.

Thirdly, the idea of a “win-win” concept implies that business negotiation is more about a single transaction than it is about building lasting relationships. Thus, there is a need for a definition that goes not imply that the parties are aiming for a certain “win-win” situation. It would be more adequate to search for a concept that emphasizes a state of mutual satisfaction and growing inter-dependence over time.

Finally, the concept of “win-win” is an oxymoron since it juxtaposes elements that are contradictory. It is by definition impossible to have two winners since winning presupposes that someone else had to loose.

Therefore, we suggest that an alternative term more in tune with the transactional perspective, and thus better describing the core of a successful business negotiation process, would be “happy-happy”.

The term “happy-happy” has several advantages, such as:

- It is not a competitive metaphor, since it puts emphasis on satisfaction rather than competition.
- Its focuses on the process and not an objective outcome, since it describes a feeling.
- It is relational and not transactional.
- It implies that the negotiation process is a continuous one that does not end in a specific situation.
- It is not an oxymoron, and thereby more clearly describes the desired state.

If practitioners were to revise their vocabulary to include the term “happy-happy” it may also imply that they would steer away from seeing business negotiations as happening in a vacuum. Their negotiation styles might hence become more contextually driven and as a consequence more relational and cooperative in its approach. Our hope is that business negotiators will appreciate that value creation happen in the combination of heterogeneous resources and that such combination will manifest in lasting relationships within a network context. The creation and maintaining of such relationships is thus the goal of the business negotiation process and the achievement of a lasting “happy-happy” state is its outcome.

- Abrahamsen, M. H., & Håkansson, H. (2015). Caught in the middle: Buying from markets and selling to networks. *Industrial Marketing Management*, 49, 4-14.
- Adair, W. & Brett, J. (2005), "The negotiation dance: time, culture, and behavioral sequences in negotiation", *Organization Science*, Vol. 16 No. 1, pp. 33-52.
- Alderson, W. (1957), *Marketing Behavior and Executive Action*. Homewood, IL: Richard D. Irwin.
- Ahn, M.J., Sutherland, K. & Bednarek, R. (2010), "Negotiating power and strategic competition: a teaching case", *Education & Training*, Vol. 52 No. 4, pp. 321-339.
- Allred, K., Mallozzi, J., Matsui, F. & Raia, C. (1997), "The influence of anger and compassion on negotiation performance", *Organizational Behavior and Human Decision Processes*, Vol. 70 No. 3, pp. 175-187.
- Anderson, C. & Thompson, L. (2004), "Affect from the top down: how powerful individuals' positive affect shapes negotiations", *Organizational Behavior and Human Decision Processes*, Vol. 95 No. 2, pp. 125-139.
- Anderson, J. & Narus, J. (1990). A model of distributor firm and manufacturer firm working partnerships. *Journal of Marketing*, 54(1), 42-58
- Anderson, J., Håkansson, H. & Johanson, J. (1994). Dyadic business relationships within a business network context. *Journal of Marketing*, 58(4), 1-15
- Atkins, T. & Rinehart, L. (2006). The Effect of Negotiation Practices on the Relationship between Suppliers and Customers. *Negotiation Journal* 22(3), 47-65.
- Axelsson, B. (2011). Business relationships and networks: Reflections on the IMP tradition. *The IMP Journal*, 4(1), 3-30.
- Ball, S. & Eckel, C. (1996), "Buying status: experimental evidence on status in negotiation", *Psychology & Marketing*, Vol. 13 No. 4, pp. 381-405.
- Baraldi E, Strömsten T. (2006). Embedding and utilizing low weight: value creation and resource configuration in the networks around IKEA's Lack table and Holmen's newsprint. *IMP Journal*, 1(1):79-108.
- Baraldi, E., Gressetvold, E., & Harrison, D. (2012). Resource interaction in inter-organizational networks: Foundations, comparison, and a research agenda. *Journal of Business Research*, 65(2), 266-276.
- Barley, S. (1991). Contextualizing Conflict: Notes on the Anthropology of Disputes and Negotiation. *Research on Negotiation in Organizations*, 3. JAI Press: Greenwich, CT, 165-199.
- Barry, B. & Friedman, R.A. (1998), "Bargainer Characteristics in Distributive and Integrative Negotiation", *Journal of Personality and Social Psychology*, Vol. 74 No. 2, pp. 345-359.

- Bazerman, M. & M. Neale. (1992). *Negotiating rationally*. New York: Free Press.
- Bazerman, M. (1983). Negotiator judgment a critical look at the rationality assumption. *American Behavioral Scientist*, 27(2), 211-228.
- Bazerman, M., Curhan, J. R., & Moore, D. A. (2001). The death and rebirth of the social psychology of negotiation. *Blackwell handbook of social psychology: Interpersonal processes*, 196-228.
- Bazerman, M., Baron, J. & Shonk, K. (2001). *You can't enlarge the pie: Six barriers to effective government*. Cambridge, MA: Harvard University Press.
- Bazerman, M., Curhan, j., Moore, D. & Valley. K. (2000). Negotiations. *Annual Review of Psychology* 51, 279-314.
- Bigelow, J. (1992). Developing managerial wisdom. *Journal of Management Inquiry* 1(2), 143–153.
- Bonoma, T. V & Johnston, W.J. (1978). The Social Psychology of Industrial Buying and Selling. *Industrial-Marketing-Management*. (Aug) Vol. 7, No.4, 213-224.
- Brett, J., Shapiro, D. & Lytle, A. (1998), "Breaking the bonds of reciprocity in negotiations", *Academy of Management Journal*, Vol. 41 No. 4, pp. 410-424.
- Brooks, A.W. & Schweitzer, M.E. (2011), "Can Nervous Nelly negotiate? How anxiety causes negotiators to make low first offers, exit early, and earn less profit", *Organizational Behavior and Human Decision Processes*, Vol. 115 No. 1, pp. 43-54.
- Buelens, M. & Van Poucke, D. (2004), "Determinants of a negotiator's initial opening offer", *Journal of Business Psychology*, Vol. 19 No. 1, pp. 23-35.
- Buelens, M., van de Woestyne, M., Mestdagh, S. & Bouckenoghe, D. (2008). Methodological Issues in Negotiation Research: A State-of-the-Art Review. *Group Decision and Negotiation* 17(4), 321-345.
- Butler, J. (1999), "Trust expectations, information sharing, climate of trust, and negotiation effectiveness and efficiency", *Group & Organization Management*, Vol. 24 No. 2, pp. 217-238.
- Butt, A.N., Choi, J.N. & Jaeger, A. (2005), "The effects of self-emotion, counterpart emotion, and counterpart behavior on negotiator behavior: A comparison of individual-level and dyad-level dynamics", *Journal of Organizational Behavior*, Vol. 26 No. 6, pp. 681-704.
- Calhoun, P. & Smith, W. (1999). Integrative Bargaining: Does Gender Make a Difference. *International Journal of Conflict Management*, 10(3), 203-224.
- Campbell, N., Graham, J., Jolibert, A. & Meissner, H. (1988). Marketing Negotiations in France, Germany, the United Kingdom, and the United States. *Journal of Marketing* 52(April), 49-62.

- Christen, C.T. (2005), "The Utility of Coorientational Variables as Predictors of Willingness to Negotiate", *Journalism & Mass Communication Quarterly*, Vol. 82 No. 1, pp. 7-24.
- Ciabuschi, F., Perna, A., & Snehota, I. (2012). Assembling resources when forming a new business. *Journal of Business Research*, 65(2), 220-229.
- Coleman, P. & Lim, Y.Y.J. (2001), "A systematic approach to evaluating the effects of collaborative negotiation training on individuals and groups", *Negotiation Journal*, Vol. 17 No. 4, pp. 363-392.
- Curhan, J. R., Elfenbein, H. A., & Xu, H. (2006). What do people value when they negotiate? Mapping the domain of subjective value in negotiation. *Journal of personality and social psychology*, 91(3), 493.
- Curhan, J. R., Neale, M. A., Ross, L., & Rosencranz-Engelmann, J. (2008). Relational accommodation in negotiation: Effects of egalitarianism and gender on economic efficiency and relational capital. *Organizational Behavior and Human Decision Processes*, 107(2), 192-205.
- Druckman D. (1973). Human factors in international negotiations: Social-psychological aspects of international conflict (Sage Professional Paper in international Studies 02020). Beverly Hills. Sage.
- Dwyer, F., Schurr, P. & Oh, S. (1987). Developing buyer-seller relationships. *Journal of Marketing*, 51(2), 11-27
- ElShenawy, E. (2010), "Does negotiation training improve negotiators' performance?", *Journal of European Industrial Training*, Vol. 34 No. 3, pp. 192-210.
- Filzmoser, M. & Vetschera, R. (2008), "A Classification of Bargaining Steps and their Impact on Negotiation Outcomes", *Group Decision and Negotiation*, Vol. 17 No. 5, pp. 421-443.
- Fisher, R. & Ury, W. (1981). Getting to yes: Negotiation agreement without giving in. New York: Penguin Books.
- Foo, M.D., Anger Elfenbein, H., Tan, H.H. & Aik, V.C. (2004), "Emotional intelligence and negotiation: the tension between creating and claiming value", *International Journal of Conflict Management*, Vol. 15 No. 4, pp. 411-429.
- Ford D, Gadde L-E, Håkansson H, & Snehota I. (2006). Business marketing course. 2nd Ed. Chichester (UK): John Wiley & Sons; 2006.
- Ford, D. (1980). The development of buyer-seller relationships in industrial markets In: *European Journal of Marketing* Volume 14, No.5/6, pp.339-354
- Ford, D. & S. Mouzas. (2008). Is there any hope? The idea of strategy in business networks. *Australian Marketing Journal* 16(1): 64–75.

- Ford, D., & Håkansson, H. (2013). Competition in business networks. *Industrial Marketing Management*, 42(7), 1017-1024.
- Ford, D., Gadde, L. -E., Håkansson, H., Snehota, I., & Waluszewski, A. (2010). Analysing business interaction. *The IMP Journal*, 4(1), 82–103.
- Ford, D., Gadde, L., Håkansson, H., Lundgren, A., Snehota, I., Turnbull, P. & Wilson, D. (1998). *Managing business relationships*, Chichester, John Wiley
- Gadde, L. E., Huemer, L., & Håkansson, H. (2003). Strategizing in industrial networks. *Industrial marketing management*, 32(5), 357-364.
- Galasso, A. (2010), “Over-confidence may reduce negotiation delay”, *Journal of Economic Behavior & Organization*, Vol. 76 No. 3, pp. 716-733.
- Ganesan, S. (1993). Negotiation Strategies and the Nature of Channel Relationships. *Journal of Marketing Research* 30(2), 183-203.
- Garcia, S. (2002), “Power and the illusion of transparency in negotiations”, *Journal of Business and Psychology*, Vol. 17 No. 1, pp. 133-144.
- Gelfand, M. J., & Brett, J. M. (2004). Integrating negotiation and culture research. *The handbook of negotiation and culture*, 415.
- Gressetvold, E. (2004). Product development - effects on a company's network of relationships. Norway: Doctoral thesis. Norwegian University of Science and Technology.
- Guercini, S., & Runfola, A. (2005). Format decisions and sourcing strategies in clothing retailing: how product/process innovation affects the buyer-seller relationship. In Paper presented 21th IMP Conference, Rotterdam.
- Guo, X., & Lim, J. (2005). Negotiation support system and team negotiations: The coalition formation perspective. *Information and Software Technology*, 49(11-12), 121-1127.
- Gupta, S. & Livne, Z. (1989). Testing the Emergence and Effect of the Reference Outcome in an Integrative Bargaining Situation. *Marketing Letters* 1(2), 103-112.
- Håkansson, H. & I. Snehota. (1989). No business is an island. *Scandinavian Journal of Management* 5(3): 187–200.
- Håkansson, H. ed. (1982). *International Marketing and Purchasing of Industrial Goods: An Interaction Approach*, Chichester, John Wiley & Sons
- Håkansson, H., & Johanson, J. (1987). Formal and informal cooperation strategies in international industrial networks. In F.J. Contractor, & P. Lorange (Eds.), *Cooperative strategies in international business*. Lexington: Lexington Books.

- Håkansson, H., & Lind, J. (2007). Accounting in an interorganizational setting. In C.S. Chapman, A.G. Hopwood, & M.D. Shields (Eds.), *Handbook of management accounting research*, Vol. 2. (pp. 885–902). Oxford: Elsevier.
- Håkansson, H., & Olsen, P. I. (2015). The roles of money and business deals in network structures. *Industrial Marketing Management*, 45, 207-217.
- Håkansson, H., & Snehota, I. (Eds.). (1995). *Developing relationships in business networks*. London: International Thomson.
- Håkansson, H., & Waluszewski, A. (2002). *Managing Technological Development. IKEA, the environment and technology*. Routledge.
- Håkansson, H., Johanson, J., & Wootz, B. (1976). Influence tactics in buyer-seller processes. *Industrial Marketing Management*, 5(6), 319-332.
- Herbst, U., Voeth, M. & Meister, C. (2011). What Do We Know About Buyer-Supplier Negotiations in Marketing Research? A Status Quo Analysis. *Industrial Marketing Management* 40(6), 967-978.
- Huemer, L., Becerra, M., & Lunnan, R. (2004). Organizational identity and network identification: relating within and beyond imaginary boundaries. *Scandinavian Journal of Management*, 20(1), 53-73.
- Jahre, M., Gadde, L-E., Håkansson, H., Harrison, D. & Persson, G. (2006). *Resourcing in logistics. The art of systematic combining*. Lund: Liber.
- Jochemczyk, L.W. & Nowak, A. (2010), “Constructing a Network of Shared Agreement: A Model of Communication Processes in Negotiations”, *Group Decision and Negotiation*, Vol. 19 No. 6, pp. 591-620.
- Johannessen, J-A., Olaisen, J. & Olsen, B. (1997), “Information management in negotiations: the conditions under which it could be expected that the negotiation partners substitute a competitive definition of the situation for a cooperative one”, *International Journal of Information Management*, Vol. 17 No. 3, pp. 153-168.
- Johanson, J. & Mattsson, L-G. (1987). Interorganizational relations in industrial systems – a network approach compared with the transaction-cost approach. *International studies of management and organizations*, 17 (1), 34–48.
- Johanson, J. Mattsson, L-G. (1994). The market-as-networks tradition in Sweden. In Laurent, G. Lilien, G. Pras, B. (eds.). *Research traditions in marketing*, 321–342. Kluwer academic publishers, Boston.
- Kahneman, D. & Tversky, A. (1979). Prospect theory: An analysis of decisions under risk. *Econometrica* 47(2): 263–291.
- Kahneman, D. & Tversky, A. (1984). Choices, values, and frames. *American Psychologist* 39: 341–350.
- Kass, E. (2008), “Interactional justice, negotiator outcome satisfaction, and desire for

- future negotiations”, *International Journal of Conflict Management*, Vol. 19 No. 4, pp. 319-338.
- Kaufmann, L. & Carter, C. (2004). Deciding on the Mode of Negotiation: To Auction or Not to Auction Electronically. *Journal of Supply Chain Management* 40(2), 15-26.
- Kim, K., Cundiff, N.L.A. & Choi, S.B. (2014), “The Influence of Emotional Intelligence on Negotiation Outcomes and the Mediating Effect of Rapport: A Structural Equation Modeling Approach”, *Negotiation Journal*, Vol. 30 No. 1, pp. 49-68.
- Kim, P. (1997), “Strategic timing in group negotiations: the implications of forced entry and forced exit for negotiators with unequal power”, *Organizational Behavior and Human Decision Processes*, Vol. 71 No. 3, pp. 263-286.
- Kim, P., Diekmann, K. & Tenbrunsel, A. (2003), “Flattery may get you somewhere: the strategic implications of providing positive vs. negative feedback about ability vs. ethicality in negotiation”, *Organizational Behavior and Human Decision Processes*, Vol. 90 No. 2, pp. 225-243.
- Kim, P., Pinkley, R. & Fragale, A. (2005), “Power dynamics in negotiation”, *Academy of Management Review*, Vol. 30 No. 4, pp. 799-822.
- Kimel, D. (2007). The choice of paradigm for theory of contract: Reflections on the relational model. *Oxford Journal of Legal Studies*, 27(2), 233–255.
- King, W. & Hinson, T. (1994). The Influence of Sex and Equity Sensitivity on Relationship Preferences, Assessment of Opponent, and Outcomes in a Negotiation Experiment. *Journal of Management* 20(3), 605-624.
- Kolb, D. (2004), “Staying in the Game or changing it: an analyses of moves and turns in negotiation”, *Negotiation Journal*, Vol. 20 No. 2, pp. 253-268.
- Lewicki, R., Saunders, D. & Minton, J. (2001). *Essentials of Negotiation* Boston, MA: McGraw-Hill.
- Lim, R. (1997), “Overconfidence in negotiation revisited”, *International Journal of Conflict Management*, Vol. 8 No. 1, pp. 52-79.
- Lind, J. & Strömsten, T. (2006). When do firms use different types of customer accounting? *Journal of Business and Research*, 59:1257-66.
- Luce, R. & Raiffa, H. (1957). *Games and decisions: Introduction and critical survey*. New York: Wiley.
- Ma, Z. & Jaeger, A. (2005), “Getting to Yes in China: Exploring Personality Effects in Chinese Negotiation Styles”, *Group Decision and Negotiation*, Vol. 14 No. 5, pp. 415-437.
- Mandják, T., & Durrieu, F. (2000). Understanding the non-economic value of business relationships. In 16th IMP Conference (pp. 7-9).

- Manning, T. & Robertson, B. (2004), "Influencing, negotiating skills and conflict-handling: some additional research and reflections", *Industrial and Commercial Training*, Vol. 36 No. 3, pp. 104-109.
- McLoughlin, D., & Horan, C. (2002). Markets-as-networks: notes on a unique understanding. *Journal of Business Research*, 55(7), 535-543.
- Menkel-Meadow, C. (2004), "Critical moments in negotiation: Implications for research, pedagogy, and practice", *Negotiation Journal*, Vol. 20 No. 2, pp. 341-347.
- Min, H., LaTour, M. & Jones, M. (1995). Negotiation Outcomes: The Impact of the Initial Offer, Time, Gender, and Team Size. *International Journal of Purchasing and Materials Management* 31(4), 19-24.
- Mintu-Wimsatt, A. & Calantone, R. (2000), "Crossing the border: testing a negotiation model among Canadian exporters", *Journal of Business & Industrial Marketing*, Vol. 15 No. 5, pp. 340-353.
- Mnookin, R. (2003). Strategic barriers to dispute resolution: A comparison of bilateral and multilateral negotiations. *Harvard Negotiation Law Review* 8(1): 1–27.
- Mnookin, R. & Susskind. L. (1999). Negotiating on behalf of others. Thousand Oaks, CA: Sage.
- Mnookin, R., Peppet, S. & Tulumello, A. (2000). Beyond winning: Negotiating to create value in deals and disputes. Cambridge, MA: Harvard University Press.
- Moosmayer, D. C., Chong, A. Y. L., Liu, M. J., & Schuppar, B. (2013). A neural network approach to predicting price negotiation outcomes in business-to-business contexts. *Expert Systems with Applications*, 40(8), 3028-3035.
- Mouzas, S. (2016). A Network Perspective on Negotiation: What Is New and Why It Matters. *Negotiation Journal*, 32(1), 7-21.
- Mouzas, S. & Blois. K. (2013). Contract research today: Where do we stand? *Industrial Marketing Management* 42(7): 1057–1062.
- Mouzas, S. & Ford, D. (2003). Negotiating in networks: Unleashing the power of options. *Journal of Customer Behaviour* 2(3): 2–20.
- Mouzas, S., & Araujo, L. (2000). Implementing programmatic initiatives in manufacturer-retailer networks. *Industrial Marketing Management*, 29(4), 293-303.
- Mueller, J.S. & Curhan, J.R. (2006), "Emotional intelligence and counterpart mood induction in a negotiation", *International Journal of Conflict Management*, Vol. 17 No. 2, pp. 110-128.
- Mumpower, J., Sheffield, J., Darling, T. & Miller, R. (2004), "The accuracy of post-negotiation estimates of the other negotiator's payoff", *Group Decision and Negotiation*, Vol. 13 No. 3, pp. 259-290.

- Murnighan, K., Babcock, L., Thompson, L. & Pillutla, M. (1999), "The information dilemma in negotiations: effects of experience, incentives and integrative potential", *International Journal of Conflict Management*, Vol. 10 No. 4, pp. 313-339.
- Nash, J. (1950). The bargaining problem. *Econometrica* 18(2), 128–140.
- Nash, J. (1953). Two-person cooperative games. *Econometrica: Journal of the Econometric Society*, 128-140.
- Nelson, D. & Wheeler, M. (2004). Rocks and hard places: Managing two tensions in negotiation. *Negotiation Journal* 20(1): 113–128.
- Neu, J., Graham, J. & Gilly, M. (1988). The Influence of Gender on Behaviors and Outcomes in Retail Buyer-Seller Negotiation Simulation. *Journal of Retailing* 64(4), 427-451.
- O'Connor, K. (1997), "Motives and cognitions in negotiation: a theoretical integration and an empirical test", *International Journal of Conflict Management*, Vol. 8 No. 2, pp. 114-131.
- O'Connor, K. & Adams, A. (1999), "What novices think about negotiation: a content analysis of scripts", *Negotiation Journal*, Vol. 15 No. 2, pp. 135-147.
- O'Connor, K. & Arnold, J. (2001), "Distributive spirals: negotiation impasses and the moderating role of disputant self-efficacy", *Organizational Behavior and Human Decision Processes*, Vol. 84 No. 1, pp. 148-176.
- O'Connor, K.M., Arnold, J.A. & Burris, E.R. (2005), "Negotiators' bargaining histories and their effects on future negotiation performance", *Journal of Applied Psychology*, Vol. 90 No. 2, pp. 350-362.
- Ogilvie, J. & Carsky, M. (2002), "Building emotional intelligence in negotiations", *International Journal of Conflict Management*, Vol. 13 No. 4, pp. 381-400.
- Olekalns, M., Brett, J. & Weingart, L. (2003), "Phases, transitions and interruptions: modelling processes in multi-party negotiations", *International Journal of Conflict Management*, Vol. 14 No. 3/4, pp. 191-211.
- Olekalns, M., Philip S. & Walsh, T. (1996), "The process of negotiating: strategy and timing as predictors of outcomes", *Organizational Behavior and Human Decision Processes*, Vol. 68 No. 1, pp. 68-77.
- Penrose, E. (1959). *The Theory of the Growth of the Firm*. New York: John Wiley.
- Pruitt, D. (1981). *Strategy in Negotiation*. San Francisco, CA: Jossey-Bass.
- Pruitt, D. G., & Rubin, J. Z. (1986). *Social conflict: Escalation, impasse, and resolution*. Reding, MA: Addison-Wesley.
- Putnam, L. L. (1990). Reframing integrative and distributive bargaining: A process perspective. *Research on negotiation in organizations*, 2(1), 3-30.

- Putnam, L. L., & Roloff, M. E. (Eds.). (1992). *Communication and negotiation* (Vol. 20). Sage Publications.
- Rees, D. & Porter, C. (1997a), "Negotiation - mystic art or identifiable process? Part 1", *Industrial and Commercial Training*, Vol. 29 No. 3, pp. 65-69.
- Rees, D. & Porter, C. (1997b), "Negotiation - mystic art or identifiable process? Part 2", *Industrial and Commercial Training*, Vol. 29 No. 5, pp. 153-157.
- Ricciardi, F., & Cantù, C. (2011). The Role of Altruism in Inter-firm Relationships: Long-term Value Creation in Business Networks. In *The paper was published at the 27th IMP-conference in Glasgow, Scotland in*.
- Roth, A. (1985). *Game-theoretic models of bargaining*. Cambridge: Cambridge University Press.
- Roth, S., Woratschek, H. & Pastowski, S. (2006). Negotiating Prices for Customized Services. *Journal of Service Research*, 8(4), 316-329
- Salacuse, J.W. (2010), "Teaching International Business Negotiation: Reflections on Three Decades of Experience", *International Negotiation*, Vol. 15 No. 2, pp. 187-228.
- Schei, V., Rognes, J. and Mykland, S. (2006), "Thinking deeply may sometimes help: cognitive motivation and role effects in negotiation", *Applied Psychology*, Vol. 55 No. 1, pp. 73-90.
- Sebenius, J. K. (2002). The hidden challenge of cross-border negotiations. *Harvard Business Review*, 80(3), 76-85.
- Srivastava, J. & Chakravarti, D. (2009). Channel Negotiations with Information Asymmetries: Contingent Influences of Communication and Trustworthiness Reputations. *Journal of Marketing Research* 46(August), 557-572.
- Steinel, W., Abele, A.E. & De Dreu, C.K.W. (2007), "Effects of Experience and Advice on Process and Performance in Negotiations", *Group Processes & Intergroup Relations*, Vol. 10 No. 4, pp. 533-550.
- Stevens, S.K. & Gist, M. (1997), "Effects of self- efficacy and goal-orientation training on negotiation skill maintenance: what are the mechanisms? ", *Personnel Psychology*, Vol. 50 No. 4, pp. 955-978.
- Stuart, H. (2004), "Surprise moves in negotiation", *Negotiation Journal*, Vol. 20 No. 2, pp. 239-251.
- Stuhlmacher, A. & Walters, A. (1999). Gender Differences in Negotiation Outcome: A Meta-Analysis. *Personnel Psychology* (52), 653-677.
- Sunstein, C. & Thaler. R. (2008). *Nudge: Improving decisions about health, wealth, and happiness*. New Haven, CT: Yale University Press.

- Thomas, S. (2013). Competitive versus Collaborative: Exploring the Negotiation Strategy Impact on Relational Outcomes in Ongoing Buyer-Supplier Relationships. Electronic theses and dissertations paper 59, Georgia Southern University, USA.
- Thompson, L. (1990). Negotiation behavior and outcomes: Empirical evidence and theoretical issues. *Psychological bulletin*, 108(3), 515.
- Thompson, L. (2001). *The mind and heart of the negotiator*. Upper Saddle River, NJ: Prentice Hall.
- Turnbull, P. & Valla, J.P. eds. (1986). *Strategies for international industrial marketing*, London, Croom Helm
- Van Bove, L., Gilovich, T. & Husted Medvec, V. (2003), "The illusion of transparency in negotiations", *Negotiation Journal*, Vol. 19 No. 2, pp. 117-131.
- Van Kleef, G., De Dreu, C. & Manstead, A. (2004a), "The interpersonal effects of anger and happiness in negotiations", *Journal of Personality and Social Psychology*, Vol. 86 No. 1, pp. 57-76.
- Van Kleef, G., De Dreu, C. & Manstead, A. (2004b), "The interpersonal effects of emotions in negotiations: a motivated information processing approach", *Journal of Personality and Social Psychology*, Vol. 87 No. 4, pp. 510-528.
- Von Neumann, J. & Morgenstem. O. (1944). *Game theory and economic behavior*. Princeton, NJ: Princeton University Press.
- Walton, R. E., & McKersie, R. B. (1965). *A behavioral theory of labor negotiations: An analysis of a social interaction system*. Cornell University Press.
- Waluszewski, A., Baraldi, E., Linné, Å. & Shih, T. (2009). Resource interfaces telling other stories about the commercial use of new technology: the embedding of biotech solutions in US, China and Taiwan. *The IMP Journal*, 3(2), 86-123.
- Weingart, L.R., Hyder, E.B. & Prietula, M.J. (1996), "Knowledge matters: The effect of tactical descriptions on negotiation behavior and outcome", *Journal of Personality and Social Psychology*, Vol. 70 No. 6, pp. 1205-1217.
- Weiss, S. (1997). Explaining outcomes of negotiation: toward a grounded model for negotiation between organizations. *Research on negotiation in organizations*, 6, 247-333.
- Wilkinson, I. & Young, L. (2002). On cooperating: Firms, relations and networks. *Journal of Business Research*, 55, 123-132.
- Wilson, D. & Möller, K. (1995) *Business marketing: an interaction and network perspective*, Boston, Kluwer Academic Publishers
- Wolfe, R. & McGinn, K. (2005), "Perceived relative power and its influence on Negotiations", *Group Decision and Negotiation*, Vol. 14, pp. 3-20.

Zachariassen, F. (2008). Negotiation Strategies in Supply Chain Management. *International Journal of Physical Distribution and Logistics Management* 38(10), 764-781.