Agents as Information Brokers: The Effects of Information Disclosure on Negotiated Outcomes

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This paper considers agents assisting a negotiation as self-interested third parties. The information principals share with agents is argued to affect the outcomes of negotiations. In a laboratory study simulating a real estate transaction, the agent’s knowledge of the buyer’s and seller’s reservation prices is manipulated. Communication between the buyer and the seller is restricted so that all information is passed through the agent. Results show that agent knowledge of reservation prices affects the settlement price, the commission garnered by the agent, and the amount of benefit or surplus gained by both principals in the negotiation. The settlement price was significantly higher when the buyer’s reservation price was revealed to the agent. Settlement prices were lowest when only the seller’s reservation price was known. We discuss the ways in which these findings can be generalized to other third-party-assisted negotiation contexts. © 1992 Academic Press, Inc.

The topic of assisted dispute resolution is one of the fastest growing interest areas in negotiation research (Ury, Brett, & Goldberg, 1989). Partially as a result of its industrial relations heritage (Walton & McKersie, 1965), the research on this topic has generally limited its focus to formal interventions, where the third parties (e.g., mediators, arbitrators) do not have a stake in the specific outcome. In practice, however, many negotiations include third parties whose interest in the outcome can influence the negotiation. This is true of managerial third parties, who are often concerned with making an optimal decision for a more globally defined unit than are the disputing parties (Kolb & Rubin, 1991; Murnighan, 1986; Neale, Pinkley, Brittain, & Northcraft, 1990; Sheppard, 1984). A self-interested third party also operates in the many negotiations conducted through agents. A critical issue in understanding assisted dispute resolution is the way in which such self-interested third parties can affect the outcomes of negotiations.

In the context of a negotiation, agents are third parties who act for, on the behalf of, or as representatives of the principals (Arrow, 1985). Agents are often used in negotiations that take place within market contexts, settings where numerous buyers seek desired resources and numerous sellers seek buyers with whom they can complete transactions. They are hired by principals because of their specialized knowledge of the market, their access to both buyers and sellers, and their experience at facilitating buyer-seller agreements. Agent compensation can take various forms, but is normally based on the outcomes of one or both of the principals. The agent’s incentive structure does not, however, necessarily match the incentive structure of the principal, despite the implicit representation in the process (Rubin & Sander, 1988). Logically, the self-interested agent can be expected to facilitate an agreement which maximizes his or her compensation, regardless of whether this outcome favors the principal(s).

The principal-agent literature argues that an agent will act in the best interest of the principal when the incentive structure is such that the agent is rewarded for outcomes favoring the principal (Arrow, 1985). However, even when the principal and agent are thus aligned, the agent necessarily decreases the amount of surplus otherwise available to the principals. Bazerman, Neale, Valley, Zajac, and Kim (1992) demonstrated that when the incentive structures of an agent and a principal were partially aligned, the use of an agent decreased the individual surplus accruing to the seller, below that attained by negotiators bargaining without a third party. In fact, while the agent facilitated a higher gross sales price for the seller, the seller received less net benefit. The agent, whose outcome was determined as a percentage of sales price, effectively became an additional negotiator in dividing the total available surplus. As is common in many agent-assisted negotiations, the buyer and the seller did not communicate directly. All information was transmitted through the agent. Bazerman et al. (1992) attribute the agents’ ability to garner an unexpectedly large proportion of the surplus to their control over information exchange.

While the role of agents as information brokers within a negotiation has not been empirically examined, studies of information gatekeepers from the organizational literature may be instructive. Pettigrew (1972) noted

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1 Bazerman et al. (1992) defined individual surplus as the difference between the final settlement price and the negotiator’s reservation price. Total surplus was the difference between the buyer’s and the seller’s reservation prices.
that a single individual controlling the information in an organization can affect decisions by allowing only certain information to flow through the channels. Similarly, O'Reilly (1983) argued that communication within an organization is selectively filtered by those controlling its flow. These studies of organizational information flow, examined in the context of agent-assisted negotiations, suggest that the agent's role as information broker will influence the outcome of negotiations in which agents are involved.

In many agent-assisted negotiations, the principals communicate only through their agents. The principals must therefore determine what and how much information to share with the agent. In a negotiation, each party should know his or her reservation price, or the price at which impasse is preferred over settlement (Thibaut & Kelley, 1959; Raiffa, 1982), and judge offers relative to this value. If an agreement occurs, it will logically fall within the boundaries set by the two reservation prices—the bargaining zone (Thibaut & Kelley, 1959; Walton & McKersie, 1965). If the reservation prices do not overlap, there is no bargaining zone and no agreement should be possible. In the presence of a positive bargaining zone, if one party was able to diagnose the other party's reservation price without revealing his or her own, s/he would be in an ideal position to obtain an agreement near his or her preferred end of the bargaining zone. If a self-interested agent is representing a principal in the negotiation, is it rational for the principal to provide information about his or her reservation price to the agent? To what extent will an agent use this information to benefit him/herself, to the possible detriment of the principal?

To extend our understanding of the power of information control within a negotiation, this study explores the impact of an agent having knowledge of the reservation prices of one or more of the principals. The study involves a buyer, a seller, and an agent negotiating the sale of a house. In real estate settings, agents are typically hired by the seller and receive a percentage of the sales price. Buyers and sellers seldom communicate directly. Since the agent's outcome is based on the selling price of the property, agent and seller are seemingly aligned; the buyer has the lucrative to negotiate a decrease in selling price, while the agent and the seller have the incentive to negotiate an increase.

But, the agent has additional objectives. Overall, an agent has three objectives that affect his or her overriding goal to maximize personal gain. First, the agent has the incentive to facilitate an agreement, to avoid impasse. Second, the agent wants the settlement price to be as high as possible. Finally, the rate of commission should be kept high. Together, these objectives maximize the dollars obtained in commission.

When the two incentives of high settlement price and no impasse are considered simultaneously, the alignment between the seller and the agent becomes questionable. Consider the sale of a house where, through ongoing negotiations, the difference between buyer offer and seller offer has narrowed to $5000. The buyer's last offer was $145,000 and the seller's last counteroffer was $150,000. The agent must now decide how to resolve the discrepancy. Under a standard 6% commission, the agent would receive a commission of $8700 at the $145,000 price. Each additional $1000 will net only $60 to the agent. For the seller, however, each $1000 nets $940 profit. If the agent perceives a significant risk of impasse by pushing the buyer above $145,000 (i.e., $145,000 may be the buyer's reservation price), s/he may rationally choose to pressure the seller downward. Alternatively, if the agent believes there is a significant risk of impasse in pushing the seller below $150,000 (i.e., $150,000 is the seller's reservation price), the agent may choose to pressure the buyer upward. Thus, when the incentives to increase settlement price and avoid impasse are both considered, the final outcome in an agent-assisted negotiation can be seen as a function of the agent's perceptions of each party's reservation price, not an effort toward absolute profit maximization for the agent's principal (the seller).

In this study, we use the real estate setting to examine how, in the presence of a positive bargaining zone, an agent's knowledge of the parties' reservation prices affects a negotiation. Four knowledge conditions are explored. The agent will know: (1) neither the buyer's nor the seller's reservation price; (2) only the seller's reservation price; (3) only the buyer's reservation price; or (4) both the buyer's and the seller's reservation prices. We look at effects on selling prices and agent compensation across these four knowledge conditions.

EFFECTS OF AGENT KNOWLEDGE ON SELLING PRICE

In different knowledge conditions, the agent's incentive to avoid impasse can be balanced against the agent's motivation to keep the price as high as possible. When the seller's reservation price is known, the agent's desire for an agreement may dominate the preference for a high sales
price. The risk of impasse if the buyer is pushed too far will be weighed against the potential benefit of each extra dollar to the agent. At the margin, as illustrated above, this benefit is minimal. Thus, when the agent knows the seller’s reservation price, the agent is expected to negotiate a lower price than would be predicted were this reservation price not revealed.

When the buyer’s reservation price is revealed to the agent, it is likely to be against the self-interest of the buyer, for the agent has no economic incentive to negotiate a settlement much below the buyer’s reservation price. This effect will be exaggerated when the agent is not aware of the seller’s reservation price. Given the monetary incentive for keeping the price as high as possible, in addition to the potential risk of impasse if the price falls too low, the agent is expected to drive the negotiated agreement toward the highest known acceptable value, the buyer’s reservation price.

When the agent knows both parties’ reservation prices, s/he will still prefer to push toward the higher end of the bargaining zone, the reservation price of the buyer. This is expected because it maximizes the agent’s compensation, holding commission rate constant. However, two issues may mitigate this tendency. First, the risk of impasse increases as the negotiated price pushes toward the buyer’s reservation price. Thus, when the agent knows both parties’ reservation prices, s/he can minimize the risk of impasse by encouraging settlement slightly lower than the buyer’s reservation price. Second, the agent may be concerned with the fairness of the decision. Frank (1988) hypothesizes that an individual will act outside a purely self-interested manner to maintain the internal and external persona as an honest person, one with whom others will want to interact. The issue of fairness is more likely to have an influence on the agent’s behavior when s/he is fully aware of the costs and benefits to both parties. Because of these issues present in the dual-knowledge condition, we predict the negotiated price will be above that achieved in a no-knowledge or seller-knowledge only condition, but will include some concessions to the buyer, resulting in a selling price below that of a buyer-knowledge only condition.

Based on the arguments presented above, we propose the following hypotheses:

H1: The agent’s knowledge of the seller’s reservation price will decrease the selling price of a commodity.

H2: The agent’s knowledge of the buyer’s reservation price will increase the selling price of a commodity.

H3: The agent’s knowledge of both the buyer’s and the seller’s reservation prices will increase the price of the commodity relative to the no-knowledge condition.

H4: The agent’s knowledge of both the buyer’s and the seller’s reservation prices will decrease the price of the commodity relative to the buyer-knowledge only condition.

EFFECTS OF AGENT KNOWLEDGE ON AGENT COMMISSION

There are at least two ways to view a negotiation in which a buyer and a seller act through an agent. First, it can be seen as a two-party negotiation in which the bargaining zone is bordered on the high end by the reservation price of the buyer and on the low end by the reservation price of the seller. Here, the seller’s reservation price is equal to his or her personal reservation price plus the agent’s compensation. Thus, setting the agent’s commission at 6% and the seller’s reservation price at $210,000, the minimum acceptable sales price for the seller is equal to $Y$, where $Y - 6%Y = 210,000$, or $Y = 223,404$. If the buyer’s reservation price is $230,000, this creates a $6596 ($230,000–$223,404) bargaining zone for the buyer and seller to divide. In this view, the agent receives the designated 6% of the settlement price. Using the reservation prices given above, a settlement at the midpoint of the bargaining zone is $226,702. This settlement allows the agent considerably more surplus than the buyer or the seller.

Alternatively, the same negotiation can be seen as a three-party negotiation in which the distribution of the entire bargaining zone is negotiable between the buyer, the seller, and the agent. Using the reservation prices above, the bargaining zone would be $20,000 ($230,000–$210,000). In this study, buyers and sellers are told that, while 6% is standard, the agent’s fee is negotiable. This implies that both the selling price and the agent’s commission rate are negotiable within the context of the bargaining session. Under this conceptualization, Nash’s (1950) theoretical argument would predict the settlement that maximizes the product of the outcomes of the three parties. This occurs when the total surplus is equally distributed among the three parties. Extending our example, this would result in a settlement price of $223,333.33, with agent commission matching buyer and seller surplus at $6666.67.

There are many reasons why the second view, or a three-way negotiation with an equal distribution, is not expected to dominate in an agent-assisted real estate transaction. In fact, the two-party conceptualization of the negotiation is expected to prevail. Realtors usually receive the full 6% commission (Jud & Frew, 1986). There are strong norms in place which reinforce a fixed outcome for the agent (Allen, 1990). Further, the psychological literature on anchoring and adjustment (Slovic & Lichtenstein, 1971; Tversky & Kahneman, 1974) suggests that people are easily anchored to any available information. In this case, the knowledge that
6% is a typical outcome will lead buyers and sellers to reduce uncertainty to only one dimension (sales price) by simply maintaining the 6% norm. Finally, while it is in the interest of both the buyer and the seller to reduce the amount of commission paid to the agent, there is no opportunity for collusion, since the agent restricts the information flow.

In this bargaining game, the agent's commission rate will fall only if a principal unilaterally pressures the agent to agree to a reduced fee. The likely way to do this is to lead the agent to believe there is no positive bargaining zone in the presence of a 6% commission (i.e., the seller's personal reservation price plus 6% exceeds the buyer's reservation price). In the presence of a positive bargaining zone at a 6% rate, the more the agent knows about the parties' reservation prices, the less successful this negotiation tactic. If the agent knows one or both reservation prices, s/he is more likely to know whether a reduction in commission is actually necessary for settlement. Thus, we predict that greater certainty on the part of the agent, concerning the reservation prices of the parties, will increase the size of commission.

H5: The more the agent knows about the reservation prices of the principals, the higher the agent's commission.

METHODS

Subjects

The negotiation was completed by 82 triads. All 246 subjects were MBA students at a large midwestern university. Their average age was 26, with 3.6 years of work experience. Subjects participated in the experiment as part of course activities in 10 different sections of the same course on negotiations.

Design

The design simulated the sale of a house across four knowledge conditions. It was meant to closely simulate the negotiation between a buyer and a seller over the price to be paid for a home. The negotiation was set after the initial visit to the property, when the buyer's interest was known. The salient item being negotiated between the buyer and the seller was the sales price of the house. In addition, there was a potential for negotiation over the agent's commission. In two conditions, the information provided to the agent and the seller stated that the seller had chosen to tell the agent his or her reservation price. This reservation price was accurately conveyed to the agent. Likewise, in two conditions the buyer was told that s/he had divulged his or her reservation price to the agent, and the agent was accurately given this information. These factors were crossed, resulting in a 2 × 2 design. Each subject played only one role in one condition, making knowledge of reservation price a between-subjects variable.

Description of Negotiation Simulations

All three parties, the buyer, seller, and agent, were provided identical information about the house being sold. The asking price was $235,000. A brief description of the real estate, with several features of the property detailed, was given to all parties. Comparison data on similar properties recently sold in the neighborhood were also provided.

Under the conditions in which the agent was told the seller's reservation price, the seller was informed that s/he had chosen to tell the agent his or her $210,000 reservation price (net of commission) because the house had been on the market for several months. Under the conditions in which the buyer revealed his or her reservation price, the buyer scenario stated that the buyer had told the agent that s/he would be willing to pay as much as $230,000 for the property. The opposing parties were not informed of the reservation price disclosures.

Participants were told the buyer and seller could talk only with the agent. They were not to meet directly with one another at any point in the negotiation. All communication was to be carried out through the agent. All parties were informed that the seller would normally pay the agent a commission of 6% of the settlement price upon sale of the house. The subjects were also told, however, that the 6% was not legally binding and was negotiable. (See Appendix I for sample instructions.)

All parties were told they would be evaluated based on their surplus after settlement. The buyer was informed that his or her surplus was the difference between the settlement price and the $230,000 reservation price. The seller's net surplus was the difference between the settlement price and the $210,000 reservation price, minus the agent's commission. The agent's net surplus was the dollar amount of commission received. If no sale was consummated, the agent received no commission and the buyer and seller received no surplus.

Procedure

Explanation of the simulation to each class of participants lasted approximately 5 min. In five of the classes, negotiations took place outside class, while in the other five classes, negotiations took place during the class period. No differences were found between these two conditions on selling price (F(1,73) = .046, ns) or agent surplus (F(1,73) = 1.43, ns). Participants who negotiated outside class were told they had 6 days to conduct the negotiation. Use of the telephone was allowed, but any agree-
ment had to be confirmed in writing. The agents were required to submit the results of their negotiations to their instructors 1 day prior to the next class meeting. Subjects reported spending between 1 and 2 h negotiating the sales price of the house. Buyers and sellers who negotiated inside class were separated into private rooms. Their agents traveled between the rooms of the buyers and the sellers. These participants were given 1½ h to conduct the negotiation. Failure to reach agreement within the designated time period was defined as an impasse.

Each participant received a packet of materials which included: (1) role instructions; (2) a description of the house; (3) information about sales prices of other homes recently sold in the neighborhood; and (4) a note on how each party would be evaluated. The agent received an agreement form to be signed by all three parties after a settlement was reached. Additional data on the process of the negotiation, unrelated to the specific hypotheses presented here, were collected through a diary completed by each party (Valley, White, & Iacobucci, 1990).

Role instructions stated that each party should maximize his or her net surplus in the negotiation. Results would be posted in the next class period. The agreement form was used to record the contract to which a buyer, seller, and agent agreed. It contained the settlement price, the agent commission, and the signatures of all three parties. The agent was responsible for returning the form by the deadline.

RESULTS

Analyses of variance were conducted to examine the impact of the agent’s knowledge of the buyer’s and seller’s reservation prices on settlement price, agent commission, and buyer and seller surplus. As predicted, when agreement was reached, the settlement price was affected by agent knowledge. (See Table 1.) The overall analysis of variance was significant ($F(3,70) = 4.35, p < .005$). The settlement price was lowest when only the seller’s reservation price was known and highest when only the buyer’s reservation price was known. While the agent’s knowledge of seller reservation price lowered the settlement price of the property (Hypothesis 1), these results were not significant ($F(1,70) = 1.75, ns$). Consistent with Hypothesis 2, the analysis supported the prediction that knowledge of the buyer’s reservation price would significantly increase the settlement price ($F(1,70) = 9.71, p < .005$). The interaction between buyer knowledge and seller knowledge was not significant ($F(1,70) = 1.36, ns$).

<table>
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Planned comparisons were used to test Hypotheses 3 and 4. Hypothesis 3 predicted that the agent’s knowledge of both parties’ reservation prices would increase the settlement price of the property relative to the no-knowledge condition. While the results were in the predicted direction by $1202 ($225,488 versus $224,286), these differences were not significant. Finally, the settlement price was slightly lower when the agent knew both reservation prices, relative to knowing the buyer’s only, but this difference was not significant (Hypothesis 4).

An analysis of variance revealed that the amount and type of information the agent had about reservation prices did not significantly affect agent commission. This held true for tests on commission expressed as a percentage of sales and commission expressed in dollars. (See Table 2.) Thus, Hypothesis 5 was not supported. But the agent acting as information broker was able to manipulate the flow of information such that the settlement reflected the self-interest of the third party, rather than the principal formally represented in this process. A post hoc comparison of agent surplus between conditions revealed that the agent received more surplus when only the buyer’s reservation price was known when compared to the other three conditions ($t(70) = 2.11, p < .05$). This difference remained significant whether agent fee was expressed in percentage of settlement price or dollars.

Since the type of information shared with the agent affected the final sales price and the agent’s commission, it is interesting to ask how sharing information affected the surpluses of the principals. An analysis of variance revealed the knowledge held by the agent significantly affected the buyer’s and seller’s surpluses. (See Table 3.) Thus, the agent’s knowledge of reservation prices changed the outcomes for the principals. There were significant effects for the agent’s knowledge on buyer’s surplus ($F(3,70)$)
TABLE 2
MEAN AGENT FEES EXPRESSED AS PERCENTAGE OF SETTLEMENT PRICE AND IN DOLLARS

<table>
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<tr>
<td>Agent fee in $</td>
<td>(Mean (SD))</td>
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<td>4.75</td>
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$\text{Knowledge of seller’s reservation price}$

$\text{Knowledge of buyer’s reservation price}$

$\text{No}$

$\text{Yes}$

$\text{Column mean}$

$\text{Agent fee in }$ $\text{No}$

$\text{Yes}$

$\text{Column mean}$

= 4.35, $p < .01)\text{, the buyer received the most surplus when only the seller’s reservation price was known and the least when only the buyer’s was known. In contrast, while the agent’s knowledge also affected the seller’s surplus (}F(3,70) = 4.32, p < .01\text{, the seller received the most surplus when both reservation prices were known and least when only the seller’s reservation price was revealed.}$

DISCUSSION

The results of this study indicate that information provided to a third party by the negotiating parties can and does affect the outcome of the negotiation. The agent’s role of information broker is an ideal position from which to control the negotiation. Agents are able to broker information to the buyer and the seller in such a way that it affects the settlement price, the commission realized, and the surpluses received by both the buyer and the seller. In this study, agents used their knowledge of the principals’ reservation prices as they conducted the negotiation. A post hoc comparison revealed a significant difference between settlement price in the seller-knowledge-only and the buyer-knowledge-only conditions ($t(70) = 3.183, p < .005$). When only one reservation price is known, regardless of the direction of this endpoint, the information acts as an anchor for the agent, causing the settlement to be closer to the known reservation price than it would be if the information were kept secret.

The findings suggest it is generally unwise for buyers to release information about their bottom line to an agent whose compensation is based on a percentage of sales price. Sellers, however, receive significantly more surplus if they do share information with the agent, but only if the buyer does likewise. The analysis of variance on seller surplus revealed that the effect of the interaction between the agent’s knowledge of the buyer’s reservation price and the seller’s reservation price was significant ($F(1,70) = 6.61, p < .05$). When the seller is the only party to reveal information, the agent seems to work for him or herself, making sure to

$^4$ Given that buyer surplus is derived by subtracting settlement price from a constant, the ANOVAs from settlement price and buyer surplus are identical. The colinearity between settlement price and seller surplus, however, is mitigated by changes in the agent’s surplus across cells.
greater percentage of the surplus than would be predicted by the Nash (1950) solution to a three-party negotiation, agents in this study took a large proportion of the total surplus for themselves (actual mean = $10,364 versus the prediction of $6666.67). In all conditions, the average surplus recognized by the agent was considerably higher than that recognized by either principal. These results suggest that buyers and sellers using agents to complete transactions should weigh the benefits with the costs described above. In cases where an agent is needed to match buyers with sellers who would otherwise have no knowledge of one another, or where the agent adds value to the negotiation through his or her specialized knowledge of the market, the large proportion of surplus received by the agent may be justified. In this study, however, the agent provided no additional benefit to either party, but was rewarded with a commission higher than the surplus accrued by either the buyer or the seller. Bargainers should realize that an agent acts as a separate party in a negotiation, not simply as a representative of a principal.

Agents are an example of the general category of third parties who have a stake in the outcome of the negotiation. Of special interest to organizational research is the type of third party often seen in organizational disputes, the role played by a manager. Extending these findings to managers as self-interested third parties, however, requires some analysis of the differences between agents and managers. While agent compensation is directly tied to the negotiated outcome, managers' compensation may come in the form of organizational recognition, enhanced reputation, long-term increases in productivity, and other rewards not directly tied to the outcome of the dispute. A basic similarity remains, however, in that both the agent and the manager are self-interested; both have a stake in the outcome separate from that of the disputants. The findings presented here suggest that managers, when intervening in a dispute, can control the negotiation so that the outcome reflects the needs of the manager. What still needs to be examined is the process through which a self-interested third party affects negotiated outcomes.

The results of this study also have importance in the field of organizational decision making. Within organizations, key people act as filters or gatekeepers of information (O'Reilly, 1983; Pettigrew, 1972). The findings presented here support earlier suggestions that these players can have a significant effect on organizational decisions. Unlike agent-assisted negotiations, where the agent acting as gatekeeper has only the buyer and seller from which to gather information, gatekeepers within an organization have numerous sources of information. Decisions made by those within the organization reflect the type and amount of information these gatekeepers choose to collect and pass on to decision makers. While the data support the general thesis that this effect occurs in decision making.
involving an external information broker, the specific ways in which organizational gatekeepers hoard and share information need to be explored.

APPENDIX

Buyer

Housing values have been rising rapidly in Evanston, and you are interested in investing in a piece of real estate. Optimally, you would like to find a single-family home in the $200,000 to $220,000 range which you could rent out for a few years and then resell at a profit. You recently saw an advertisement in the "Evanston Review" for a house near Centennial Park (see page 2). Based upon the description, this house seemed like the type of investment that you are seeking. You arranged to visit the home last week. The asking price was $235,000, and you were favorably impressed.

You have since collected information on comparable houses to help you assess the worth of this house (see page 3). You have decided that you would like to buy the house, but not at a price in excess of $230,000. In fact, you would like to buy the house closer to $200,000. However, you would prefer to buy the house at any price up to $230,000 before walking away from this opportunity.

Today, you have set up a meeting with the agent to submit an offer. Over the phone, you mentioned to your agent that you would be willing to pay at most $230,000 for the house. However, you have not authorized the agent to offer any formal price at this point. It is up to you to decide what price to initially offer. You will not be meeting with the seller at any point in the negotiation.

It is standard practice for the agent to receive 6% of the final sales price as a commission from the seller. However, the percentage is not legally binding and can be negotiated.

The exercise will start with your meeting with the agent.

Single House

Listing No. 87 13878

Description

4 bedrooms + 1 recreation room + 2.5 bathrooms
Split level style
Built in 1947
1846 square feet of space

Inside Amenities

- Finished hardwood floors
- Two fireplaces
- Master bedroom has an entire wall of closet plus master bath
- Large eat-in kitchen with all appliances
- Newly decorated

Outside Amenities

- Comfortable and updated brick
- Beautiful landscape
- Fenced back yard and mature trees
- Detached garage (for 2.5 cars)
- Restaurant and transportation within walking distance
- Very near Lovelace and Centennial Park

Asking Price: $235,000

Prices of Neighboring Homes with Similar Characteristics

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Home currently for sale

Asking price

<table>
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<td>87 13878</td>
<td>$235,000</td>
<td>1846</td>
</tr>
</tbody>
</table>

Buyer's Note on How You Will Be Evaluated

You will be evaluated on how much less than $230,000 you pay for the house. Obviously, you will not be willing to pay more than this amount—you are better off buying a different house above this price.

REFERENCES

Allen, J. L. (1990, March 18). "There was some carryover" of a set fee schedule. Chicago Tribune, Section 16, 2H.


