Theory and Evidence

Creating Value from an Increasingly Multigenerational Workforce:

The Case of Intergenerational Negotiations

by

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Abstract

Although the U.S. workforce is increasingly aging and multigenerational, little is known about how organizations might capitalize. This thesis explores this question in a negotiations context. Given that older adults are less confrontational, more other-oriented, and more collaboratively-minded, I investigate whether negotiating cross-generationally might enhance the use of cooperative-orientated, integrative tactics, whereas more competitively-oriented distributive negotiation tactics might be more common with a same-generation partner. In a lab study (N = 228), younger (under-30) participants were randomly assigned to negotiate with either a same-aged or older (over-60) counterpart, engaging in two negotiation exercises, one primarily distributive and one primarily integrative. At the dyad level, results revealed integrative benefits among intergenerational (versus same-generation) dyads, whereby these dyads used more integrative tactics and fewer distributive tactics than did young-young dyads. A similar pattern emerged at the individual level: Younger negotiators used more integrative tactics when negotiating with an older (versus younger) counterpart, and older negotiators tended to use more integrative tactics than younger negotiators overall. Nevertheless, young-young and young-old dyads did not differ in their negotiation outcomes, and although a similar pattern of findings emerged for the distributive negotiation, these did not reach statistical significance. We discuss the implications of our findings in terms of the increasingly aging and multigenerational workforce.
Creating Value from an Increasingly Multigenerational Workforce: The Case of Intergenerational Negotiations

The age demographics in the modern workplace are shifting dramatically. First, the U.S. workforce is rapidly aging: Three in four pre-retirees believe they will continue working in some form during retirement (SHRM Foundation, 2014). As a result, the labor force growth rates of the 65-to 74-year-old and 75-and-older age groups are expected to increase at a rate of 55% and 86% respectively, compared with a 5% increase for the labor force as a whole (Toossi & Torpey, 2017). Second, as the workplace grows older, it is also becoming more multigenerational than ever: For the first time in history, five generations co-exist in the modern workplace, from the Silent Generation to Generation Z (King et al., 2019). These trends are expected to significantly shape organizational outcomes, fostering a major impetus to adapt to an aging and multigenerational workforce.

However, organizations are not effectively addressing the needs of older workers or managing intergenerational relationships, and this is negatively impacting their bottom line. To date, only a handful of companies have enacted forward-thinking maneuvers to accommodate older workers (North & Hershfield, 2014). Additionally, generational tensions present a significant challenge for managers today, as evidenced by the fact that nearly two thirds of older workers have witnessed or experienced age discrimination on the job (Terrell, 2018), and the growing concern that age-discriminatory phrases such as “OK Boomer” will make their way into the workplace (Laue, 2019). Organizations must learn to accommodate older workers and manage elevated levels of age diversity, or else they risk edging out skilled older employees and allowing intergenerational tensions to hinder team productivity. All in all, these concerns necessitate greater research focus on age in the workplace.
Nonetheless, research examining the unique behaviors of older employees, as well as the nature of interactions between members of different age cohorts, is scant. Older adult populations are underrepresented within studies elucidating fundamental organizational processes; for instance, negotiations scholarship tends to focus on young student samples (Kappes et al., 2020; Thompson et al., 2010). Moreover, while research has uncovered some benefits of demographic diversity, it has not yet uncovered consistent benefits of age diversity (North & Shakeri, 2019). It is critical that research begin to examine not only how organizations can accommodate older workers and manage age diversity, but also how organizations can actively benefit from shifting age demographics in the workplace.

The present research elucidates ways to maximize value within an older and increasingly intergenerational workforce in the context of workplace negotiations. Negotiations is a critically pragmatic topic: Almost every workplace interaction involves negotiations in some way, and organizations are becoming increasingly concerned with how their employees’ negotiations impact their bottom line (Ertel, 1999). Additionally, with a few notable exceptions (Kappes et al. 2020; Walsh & Greenhalgh, 1987), very few studies have examined the nature of intergenerational negotiations, as noted. Negotiations are an avenue in which the unique benefits of cross-generational interactions can be quantitatively identified, helping illustrate how organizations might directly capitalize upon the presence of multiple generations.

In this study, we examine two types of negotiation pairs (young-young dyads and young-old dyads) and explore three questions: First, do young-young and young-old dyads differ in their use of negotiation tactics? Second, does the presence of an older (versus younger) negotiation counterpart affect the negotiation tactics used by younger adults? And finally, do
INTERGENERATIONAL NEGOTIATIONS

young-young and young-old dyads differ in their negotiation outcomes? First, we review the relevant literature in support of our predictions.

**Literature Review**

**Integrative and Distributive Negotiation Strategies**

Researchers distinguish between two types of negotiations. *Distributive* negotiations are zero-sum situations in which parties' interests are diametrically opposed, and negotiators must divide a fixed amount of value (Pruitt, 1981). In contrast, *integrative* negotiations hold potential for joint gains, in which negotiators have different priorities and thus may identify trade-offs that benefit both parties (Thompson, 1990; Pruitt, 1981). This same distinction holds for negotiation tactics, such that distributive tactics help negotiators claim more value (i.e. competitively-oriented), while integrative tactics are used to identify the underlying interests of the opponent in an attempt to achieve mutually beneficial agreements (i.e. cooperatively-oriented; Pruitt, 1981; Weingart et al., 1996). Examples of distributive tactics include using persuasive argumentation and challenging the opponent’s arguments (Sullivan et al., 2006; Weingart et al., 1996).

Examples of integrative tactics include exchanging information about underlying interests, making multiple-issue offers that satisfy both parties, and relationship-building (Sullivan et al., 2006; Weingart et al., 1996; Weingart et al., 2004). Negotiators may benefit from using a mix of distributive and integrative tactics (Pruitt, 1981); nonetheless, many scholars argue that integrative strategies are superior because they promote the discovery of mutually beneficial agreements and foster better long-term relationships between the negotiators (Fisher et al., 2011).

Studies have examined how individuals adjust their strategies when negotiating with a counterpart of a different race (Gilin Oore et al., 2013), culture (Brett & Okumura, 1998; Adair et al., 2001), and gender (Kray et al., 2004; Bowles & Flynn, 2010). However, comparatively
few studies have examined how one’s own age and counterpart age affects negotiation tactics. Recently, a study found that young-young dyads exchange more information about their priorities than do old-old dyads (Kappes et al. 2020). However, priority-related information exchange is only one type of integrative negotiation tactic. What remains unexplored is whether age-homogeneous and age-heterogenous dyads differ in (1) their use of other integrative tactics such as questioning underlying interests and relationship-building, and (2) their use of distributive tactics.

**Intergenerational Negotiations: Further Dividing Generations or an Opportunity to Unite Them?**

As noted, exploring the potential integrative benefits of intergenerational negotiations presents potential value considerations for an ever-multigenerational workforce. Nevertheless, when it comes to a competitive negotiation context between older and younger participants, competing hypotheses emerge: (1) the intergroup, *competing generations* perspective suggests that this context should stoke generational tensions over resources, whereas (2) the age-based, “*older is calmer*” perspective suggests that the presence of an older negotiation partner might assuage these tensions, toward greater generational harmony. Although we see evidence for both sides, ultimately we predict stronger evidence for the latter hypothesis.

**Competing Generations: Why Intergenerational Negotiations Might Stoke Existing Generational Tensions**

One the one hand, research on intergroup negotiations might suggest that intergenerational negotiations should be more competitive (distributive) and less cooperative (integrative) than intragenerational negotiations. When negotiators differ in their group membership, they tend to achieve lower joint outcomes (i.e. less integrative outcomes) due to
prejudice or differing negotiation styles. For instance, one study found that White participants who had stronger in-group affect (i.e. positive feelings toward other White individuals) used a more competitive approach and achieved lower joint outcomes when negotiating against Black versus White counterparts (Gilin Oore et al., 2013). Additionally, research on negotiations between American and Japanese adults suggest that intercultural dyads achieve lower joint outcomes, partially due to incompatible negotiating styles between the two cultures (Brett & Okumura, 1998; Adair et al., 2001). Thus, the same dynamics that prevent interracial and intercultural dyads from reaching integrative outcomes may also prevent intergenerational dyads from reaching integrative outcomes.

From a generational conflict standpoint per se, there is further reason to believe that engaging a cross-generational negotiation might foster extra conflict. For example, younger adults harbor prescriptive stereotypes of older adults, such as the expectation that older adults should both actively “step aside” and make way for the younger generation, as well as avoid passively consuming shared resources (North & Fiske, 2013). These stereotypes may translate to more distributive behavior with older adults in a negotiation setting, in the sense that younger adults may feel like older adults deserve fewer resources in the first place. Nevertheless, there is reason to believe that the age context is unique, and yields plenty of support for the opposite prediction that cross-generational interactions are more fruitful than typical intergroup awkwardness.

**Older is Calmer? Why Intergenerational Negotiations Might Alleviate Existing Generational Tensions**

On the other hand, other studies suggest that the presence of an older adult might mollify the tendency toward competitive negotiation strategies. For instance, research on
intergenerational interactions suggest that conversations between younger and older adults are less competitive: A recent review found that engaging in nonfamilial intergenerational interactions fosters a number of psychosocial benefits for both parties, including reduced stereotypes towards the other generation, increased feelings of social connectedness, increased positive attitudes, and reduced depression (Knight et al. 2014). Another study found that young adults use more aggressive and confrontational strategies when responding to a negative interaction with younger counterparts, compared to older counterparts (Fingerman et al., 2008). From this standpoint, if young-old interactions are more positive and less aggressive than young-young interactions, this might translate into more integrative tactics and fewer distributive tactics in a negotiation context.

Moreover, research suggests that older adults exhibit traits and behaviors which may lead them to adopt a more integrative and less distributive mindset when negotiating. First, research suggests that older adults, as compared to younger adults, are more accurate at making inferences about others’ personality traits based on their behaviors (Hess et al., 2005; Hess & Auman, 2001). In the negotiation context, this may mean that older adults are better at assessing the underlying interests of their counterparts, which is known to help negotiators propose integrative agreements (Pruitt, 1981; Weingart et al., 1996). Second, previous work shows that older adults show higher levels of socioemotional regulation and are less aggressive and confrontational when confronting interpersonal conflicts (North & Fiske, 2012; Blanchard-Fields, 2007; Luong & Charles, 2014; Birditt & Fingerman, 2005; Birditt et al., 2005; Charles et al. 2009). In the negotiation context, experiencing anger has been shown to increase one’s use of distributive tactics and decrease one’s use of integrative tactics (Liu, 2009); thus, older adults may be skilled at not allowing emotions hinder their ability to discover integrative agreements. Finally, studies
show that older adults are better than younger adults at recognizing multiple perspectives, the limits of their personal knowledge, and the need for compromise (North & Fiske, 2012; Grossmann et al., 2010; Grossmann et al., 2012). It appears that older adults generally have a more cooperative and other-oriented mindset, which is necessary for adopting an integrative mindset in the negotiation context.

For these reasons, at the dyad level, we hypothesize that these age-related factors mean that young-young dyads will use comparatively more distributive tactics than young-old dyads. Moreover, young-old dyads will use comparatively more integrative tactics than young-young dyads. Even though an intergenerational interaction is fundamentally an intergroup interaction that might yield the same types of tensions as other intergroup interactions, there is reason to believe that the age context is different, offering unique potential for uniting different groups rather than dividing them.

**Hypothesis 1a:** Young-young negotiation dyads, as compared to young-old negotiation dyads, will use more distributive negotiation tactics.

**Hypothesis 1b:** Young-old negotiation dyads, as compared to young-young negotiation dyads, will use more integrative negotiation tactics.

Moreover, at the individual level, we believe that the presence of older adults (versus younger adults) will allow younger negotiators to adopt a more cooperative, less competitive, and more other-focused mindset. Thus, we predict that young negotiators will use more distributive tactics when negotiating with younger counterparts, and more integrative tactics when negotiating with older counterparts.

**Hypothesis 2a:** Younger negotiators will use more distributive tactics when negotiating with younger counterparts, compared to older counterparts.
Hypothesis 2b: Younger negotiators will use more integrative tactics when negotiating with older counterparts, compared to younger counterparts.

Further, we predict that these differences will allow young-old dyads to achieve more positive negotiation-level outcomes:

Hypothesis 3: Young-old dyads, as compared to young-young dyads, will reach agreements more often and will achieve better joint outcomes.

Finally, in a more exploratory manner, we examine whether use of tactics will differ in a distributive negotiation versus a negotiation with integrative potential.

Method

Participants

Participants (N = 228) took part in an hour-long lab study at a large, private East coast university. Younger participants were recruited using dormitory flyers, web advertisements, the participant pool housed at the host university, and print ads in local publications. Older participants were recruited using many of the same methods, as well as through emails to local retirement community centers.

As per the current negotiation context, we recruited participants in pairs, such that the sample consisted of 55 young-young dyads (two participants below the age of 30) and 59 young-old dyads (a participant below the age of 30 and a participant over the age of 60). Participants in two dyads were unintentionally assigned to the incorrect negotiator roles and thus excluded from all analyses. The final sample consisted of 54 young-young dyads and 58 young-old dyads. Younger participants’ average age was 21.86 years old (SD = 3.11), versus an average age among older participants of 70.1 years old (SD = 6.25). The overall gender distribution was 159 females and 65 males.
Procedure

Younger participants \((\text{targets})\) negotiated with a \textit{counterpart}, randomly assigned as either the same age (i.e., forming a young-young dyad) or older (i.e. forming a young-old dyad). Dyads entered a private lab room and engaged in two video-recorded negotiation exercises (counterbalanced across dyads): (1) up to eight minutes for the Parker Gibson exercise (Wheeler, 2000), which entails a single-issue distributive negotiation between neighbors concerning the sale of a plot of land, and (2) up to ten minutes for the Kukui Nuts exercise (Kopelman & Berkel, 2012), which is a potentially integrative negotiation between representatives of two rival pharmaceutical companies, both of whom wish to purchase a limited supply of rare Kukui nuts from an international exporter.\(^1\) In order to simplify the study design, targets always played the same role: the seller (“Parker”) in Parker Gibson, and the higher-budget role in Kukui Nuts (“Felix”; see Table 1).

\(^1\) On the surface, the Kukui Nuts exercise looks like a distributive negotiation. However, there is potential to reach an integrative (win-win) agreement, if both parties realize that they desire different parts of the nut.
Table 1: Summary of Negotiation Exercises and Roles

<table>
<thead>
<tr>
<th>Negotiation</th>
<th>Summary</th>
<th>Roles</th>
<th>Participant Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parker Gibson</td>
<td>The Parker family is moving and attempts to sell a plot of land to their neighbors, the Gibson family. The Gibson family is interested in purchasing the plot of land to expand their house.</td>
<td>Target: Parker family</td>
<td>Always younger</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Counterpart: Gibson family</td>
<td>Younger or older</td>
</tr>
<tr>
<td>Kukui Nuts</td>
<td>Representatives of two rival pharmaceutical companies are both looking to obtain a rare limited supply of Kukui Nuts. Felix and company has a higher budget ($2 mil) but is looking to create a baldness prevention shampoo. Sabrine and company has a lower budget ($1.5 mil) but is looking to create a drug to cure infant AIDS.</td>
<td>Target: Felix &amp; Co</td>
<td>Always younger</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Counterpart: Sabrine &amp; Co</td>
<td>Younger or older</td>
</tr>
</tbody>
</table>

**Dependent Variables**

**Negotiation Tactics**

We created an integrative-versus-distributive-tactics coding scheme similar to one used by prior research (Sullivan et al., 2006; Weingart et al., 1996), adapted for the Kukui Nuts and Parker Gibson negotiations (see Appendix A for coding manual). Examples of integrative tactics include indicating a desire to cooperate and stating underlying interests. Examples of distributive tactics include making antagonistic comments and referencing one’s own Best Alternative to a Negotiated Agreement (BATNA).

For the Parker Gibson exercise, five research assistants blind to hypotheses underwent a five-week training period in which they practiced categorizing transcribed sentences as reflecting (a) integrative, (b) distributive, or (c) neutral negotiation strategies; given sentence as the unit of analysis, each sentence could belong to only one category. Throughout the training period, coders individually coded a subset of all Parker Gibson transcripts, then met to resolve
disagreements. This process yielded substantial interrater reliability (Fleiss’ Kappa = .701; Landis & Koch, 1977). The author coded the Kukui Nuts exercise using the same methods.

In order to control for conversation lengths, we calculated the proportion of sentences that belonged to each negotiation strategy (integrative vs. distributive) for each participant. We calculated proportions by summing the number of integrative and distributive sentences spoken and dividing by total number of sentences spoken. This resulted in four negotiation tactics outcome variables: proportion of distributive tactics in Kukui Nuts, proportion of distributive tactics in Parker Gibson, proportion of integrative tactics in Kukui Nuts, and proportion of integrative tactics in Parker Gibson.

**Negotiation-Level Outcomes**

For both negotiation exercises, dyads indicated whether they reached an agreement or an impasse. In addition, for the Parker Gibson exercise, dyads recorded the lot selling price. For the Kukui Nuts exercise, dyads recorded the number of nuts received by each negotiator. Finally, for both exercises, dyads were offered the opportunity to write down any additional terms to the agreements.

**Results**

**Negotiation Tactics**

Prior to analysis, we coded dyad age as -1 (young-young) or 1 (young-old), and negotiator role as -1 (target role: Parker and Felix representative) or 1 (counterpart role: Gibson and Sabrine representative). Due to video camera malfunctions, two Parker Gibson negotiation

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2 We did not analyze use of neutral tactics, as this was not central to our hypothesis. Incorporating neutral tactics into our results did not alter any of our findings.
recordings and one Kukui Nuts negotiation recordings were missing. Thus, these dyads were excluded from the analysis.

We suspected that the proportion of integrative and distributive tactics was correlated among negotiators who interacted with each other. Nonindependence would warrant the use of dyadic data analysis methods, which would allow us to take into account the correlations between dyad members (Kenny et al. 2006). Thus, it was necessary to assess nonindependence in negotiation tactics between dyad members.

**Test for Distinguishability**

First, we used maximum likelihood estimation to determine whether dyad members should be treated as distinguishable by negotiator role (Kenny et al. 2006). For Parker Gibson proportion of integrative tactics, this test resulted in $X^2(3) = 10.49, p < .05$, indicating that the constraints required for an indistinguishable model significantly worsened model fit relative to the model that treated dyads as distinguishable by role. For the remaining three negotiation tactic variables (Parker Gibson proportion of distributive tactics, Kukui Nuts proportion of distributive tactics, and Kukui Nuts proportion of integrative tactics), there was no empirical evidence that dyad members should be differentiated by their role. Nonetheless, we treated dyads as distinguishable by role in all analyses.³

**Assessment of Nonindependence**

Kenny et al. (2006) suggest using Pearson correlations to assess nonindependence in distinguishable dyads. Thus, we calculated Pearson correlations between target and counterpart

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³ We treated dyads as distinguishable by role in all analyses because we expected that assigned negotiator role impacted use of tactics. For example, in the Parker-Gibson exercise, the instructions encourage Parker to lie about his BATNA (a distributive tactic), but the instructions for Gibson do not. All in all, using indistinguishable models did not alter any of our findings.
negotiation tactics (see Table 2). The presence of statistically significant correlations suggest that there was nonindependence between target and counterpart negotiation tactics.

Table 2: Pearson correlations among targets' and partners' use of integrative and distributive tactics in Kukui Nuts and Parker Gibson negotiations

<table>
<thead>
<tr>
<th>Targets' Tactics (negotiation)</th>
<th>Counterparts' Tactics</th>
<th>Targets' Tactics</th>
<th>Counterparts' Tactics</th>
<th>Targets' Tactics</th>
<th>Counterparts' Tactics</th>
<th>Targets' Tactics</th>
<th>Counterparts' Tactics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Distributive tactics (KN)</td>
<td>--</td>
<td>.05</td>
<td>-.57*</td>
<td>.04</td>
<td>.66*</td>
<td>-.05</td>
<td>-.38*</td>
</tr>
<tr>
<td>2. Distributive tactics (PG)</td>
<td>--</td>
<td>.05</td>
<td>-.32*</td>
<td>.05</td>
<td>.41*</td>
<td>-.02</td>
<td>-.08</td>
</tr>
<tr>
<td>3. Integrative tactics (KN)</td>
<td>--</td>
<td>.15</td>
<td>-.37*</td>
<td>.09</td>
<td>.68*</td>
<td>.10</td>
<td></td>
</tr>
<tr>
<td>4. Integrative tactics (PG)</td>
<td>--</td>
<td>-.01</td>
<td>-.11</td>
<td>.08</td>
<td>.57*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Counters' Tactics (negotiation)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Distributive tactics (KN)</td>
<td>--</td>
<td>.00</td>
<td>-.53*</td>
<td>.06</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Distributive tactics (PG)</td>
<td>--</td>
<td>.04</td>
<td>-.26*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Integrative tactics (KN)</td>
<td>--</td>
<td></td>
<td>.01</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Integrative tactics (PG)</td>
<td>--</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. KN = Kukui Nuts negotiation; PG = Parker Gibson negotiation. *p < .01

**Multilevel Modeling**

Multilevel modeling allows us to take the nonindependence available in the dyads into account (Kenny et al. 2006). Thus, we used multilevel modeling with restricted maximum likelihood to estimate our dyadic model, treating dyads as distinguishable by negotiator role, and treating the residual structure as heterogeneous compound symmetry.

We created four separate multilevel models for use of distributive and integrative tactics in the Kukui Nuts and Parker Gibson exercises. Each multilevel model consisted of three regression coefficients which allowed us to assess the fixed effects of dyad age, negotiator role, and dyad age x negotiator role interactions on use of negotiation tactics. Dyad age effects
allowed us to test Hypothesis 1a and 1b by assessing mean-level differences between young-young and young-old dyads’ use of integrative and distributive tactics. Negotiator role effects allowed us to assess mean-level differences between target and counterpart use of integrative and distributive tactics. Because this was not central to our hypothesis, negotiator role effects appear in tables but not discussed. Dyad age x negotiator role interactions allowed us to test for Hypothesis 2a and 2b. If differences existed between targets in young-young dyads versus targets in young-old dyads, we conclude that the presence of older counterparts affected younger negotiators’ negotiation tactics. Table 3 shows the results of the multilevel models, Table 4 shows descriptive statistics for proportion of integrative and distributive tactics, and Table 5 shows a summary of our hypotheses and results.
Table 3: Multilevel models predicting proportion of integrative and distributive negotiation tactics from dyad age and negotiator role

<table>
<thead>
<tr>
<th>Variable</th>
<th>Kukui Nuts negotiation</th>
<th>Parker Gibson negotiation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Model 1: DV = Distributive Tactics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intercept</td>
<td>0.39</td>
<td>0.47</td>
</tr>
<tr>
<td>Dyad age</td>
<td>-0.06</td>
<td>-0.02</td>
</tr>
<tr>
<td>Negotiator role</td>
<td>0.00</td>
<td>-0.01</td>
</tr>
<tr>
<td>Dyad age*Negotiator role</td>
<td>-0.01</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Model 2: DV = Integrative Tactics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intercept</td>
<td>0.24</td>
<td>0.10</td>
</tr>
<tr>
<td>Dyad age</td>
<td>0.04</td>
<td>0.01</td>
</tr>
<tr>
<td>Negotiator role</td>
<td>0.01</td>
<td>0.01</td>
</tr>
<tr>
<td>Dyad age*Negotiator role</td>
<td>-0.01</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Note. b represents unstandardized coefficients. Dyad age is coded such that -1 = young-young, 1 = young-old. Negotiator role is coded such that -1 = target role, 1 = counterpart role
*p < .10, **p < .05, *** p < .01, ****p < .0001

Table 4: Descriptive statistics for proportion of integrative and distributive negotiation tactics

<table>
<thead>
<tr>
<th>Variable</th>
<th>Dyad-level</th>
<th>Individual-level</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Young-Young</td>
<td>Young-Old</td>
</tr>
<tr>
<td></td>
<td>Dyads</td>
<td>Targets</td>
</tr>
<tr>
<td>Distributive Tactics (KN)</td>
<td>.45 (.17)</td>
<td>.44 (.15)</td>
</tr>
<tr>
<td>Distributive Tactics (PG)</td>
<td>.50 (.17)</td>
<td>.50 (.16)</td>
</tr>
<tr>
<td>Integrative Tactics (KN)</td>
<td>.20 (.12)</td>
<td>.18 (.11)</td>
</tr>
<tr>
<td>Integrative Tactics (PG)</td>
<td>.09 (.09)</td>
<td>.08 (.07)</td>
</tr>
</tbody>
</table>

Note. KN = Kukui Nuts negotiation; PG = Parker Gibson negotiation
Means represent proportion of sentences spoken that belonged to each negotiation strategy
Table 5: Summary of hypotheses and results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Kukui Nuts (integrative negotiation)</th>
<th>Parker Gibson (distributive negotiation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a  Young-young negotiation dyads, as compared to young-old negotiation dyads, will use more distributive negotiation tactics.</td>
<td>Supported</td>
<td>Partially supported</td>
</tr>
<tr>
<td>H1b  Young-old negotiation dyads, as compared to young-young negotiation dyads, will use more integrative negotiation tactics.</td>
<td>Supported</td>
<td>Partially supported</td>
</tr>
<tr>
<td>H2a  Younger negotiators will use more distributive tactics when negotiating with younger counterparts, compared to older counterparts.</td>
<td>Not supported (shows predicted pattern)</td>
<td>Not supported (shows predicted pattern)</td>
</tr>
<tr>
<td>H2b  Younger negotiators will use more integrative tactics when negotiating with older counterparts, compared to younger counterparts.</td>
<td>Supported</td>
<td>(shows predicted pattern)</td>
</tr>
<tr>
<td>H3   Young-old dyads, as compared to young-young dyads, will reach agreements more often and will achieve better joint outcomes.</td>
<td>Not supported</td>
<td>Not supported</td>
</tr>
</tbody>
</table>

Note. "Supported" = p < .05 in predicted pattern. "Partially supported" = p < .20 in predicted pattern. "Not supported (shows predicted pattern)" = p > .20 in predicted pattern. "Not supported" = p > .20 not in predicted pattern.

**Proportion of Distributive Tactics**

**Dyad level.** Hypothesis 1a predicted that young-young negotiation dyads, as compared to young-old negotiation dyads, will use more distributive negotiation tactics. We found support for this: In the Kukui Nuts exercise, young-young dyads used distributive negotiation tactics significantly more frequently ($M = .45, SD = .17$) than young-old dyads ($M = .33, SD = .16$), $b = -0.06, t(109) = -4.36, p < .0001$; see Figure 1. Similar evidence emerged in the Parker Gibson exercise, whereby young-young dyads used distributive negotiation tactics marginally more
frequently \((M = .50, SD = .17)\) than young-old dyads \((M = .45, SD = .16)\). \(b = -0.02, t(108) = -1.86, p = .07\). Thus, H1a was supported in the Kukui Nuts exercise, but not the Parker Gibson exercise.

Figure 1: Proportion of distributive tactics in Kukui Nuts negotiation by young-young and young-old dyads

Individual level. Hypothesis 2a predicted that younger negotiators would use more distributive tactics when negotiating with younger counterparts, compared to older counterparts. However, no significant dyad age x role interaction emerged in either the Kukui Nuts exercise, \(b = -0.01, t(109) = -1.16, p = .25\), nor the Parker Gibson exercise, \(b = 0.00, t(108) = -0.24, p = .81\). Thus, support did not emerge for H2a.

Proportion of Integrative Tactics

Dyad level. Hypothesis 1b predicted that young-old negotiation dyads, as compared to young-young negotiation dyads, would use more integrative negotiation tactics. Supportive
evidence for this prediction emerged in the Kukui Nuts exercise, whereby young-old dyads used integrative tactics more frequently ($M = .27, SD = .16$) than young-young dyads ($M = .20, SD = .12$), $b = 0.04, t(109) = 3.17, p < .01$ (see Figure 2). In the Parker Gibson exercise, this same pattern emerged, such that young-old dyads used integrative tactics ($M = .11, SD = .10$) more frequently than young-young dyads ($M = .09, SD = .09$), albeit this trend did not reach statistical significance, $b = 0.01, t(108) = 1.46, p = .15$. Thus, H1b was partially supported.

Figure 2: Proportion of integrative tactics in Kukui Nuts negotiation by young-young and young-old dyads

**Individual level.** Hypothesis 2b predicted that younger negotiators would use more integrative tactics when negotiating with older counterparts, compared to younger counterparts. There was no significant dyad age x role interaction in the Parker Gibson exercise, $b = 0.00, t(108) = -0.09, p = .93$. However, there was a significant dyad age x role interaction in the Kukui Nuts exercise, $b = -0.01, t(109) = -2.01, p < .05$. To examine the interaction, we conducted
separate simple slopes analyses for targets and counterparts using the two-intercept model approach. Results indicate a significant dyad age x role interactions for both targets and counterparts. Younger targets used integrative tactics more frequently when negotiating against older counterparts ($M = .28$, $SD = .17$) than when negotiating against younger counterparts ($M = .18$, $SD = .11$), $b = 0.01$, $t(109) = 3.63$, $p < .001$ (see Figure 3). In addition, older counterparts used integrative tactics more frequently ($M = .27$, $SD = .14$) than younger counterparts ($M = .22$, $SD = .12$), $b = 0.01$, $t(109) = 2.12$, $p < .05$. Thus, H2b was supported in the Kukui Nuts exercise, but not the Parker Gibson exercise (see Figure 3).

Figure 3: Dyad age x role interaction for proportion of integrative tactics in Kukui Nuts negotiation
**Negotiation-Level Outcomes**

**Dyad level.** The negotiation outcomes are between-dyad outcome variables (outcomes differ between dyads but are consistent between dyad members; Kenny, Kashy, & Cook, 2006). Thus, these variables were analyzed at the dyad level only. Logistic regression and independent samples t-tests measured the effect of dyad age on negotiation outcomes. The data were structured as a dyad-level data set, such that each row contained data for each dyad (Kenny et al., 2006). Dyad age was coded as 0 (young-young) versus 1 (young-old).

**Likelihood of Reaching an Agreement.** Hypothesis 3 predicted that young-old dyads, as compared to young-young dyads, would reach agreements more often. For the Parker Gibson exercise, three out of 112 dyads failed to reach an agreement in the time allotted (all three were young-old dyads). For the Kukui Nuts exercise, 74 dyads reached an agreement (66%), and 38 dyads impassed (34%). Results of Wald tests for dyad age indicated that young-young and young-old dyads did not differ in their likelihood of reaching an agreement for the Parker Gibson exercise (p = .997) or the Kukui Nuts exercise (p = .898).

**Kukui Nuts Joint Outcomes.** Hypothesis 3 predicted that young-old negotiation dyads, as compared to young-young negotiation dyads, would achieve better joint outcomes. In the Kukui Nuts exercise, this was possible if negotiators realized that they needed different parts of the nuts and therefore shared them. However, only one young-young dyad and one young-old came to this realization and shared the full quantity of nuts. Thus, young-young and young-old dyads did not differ in their likelihood of achieving joint outcomes; support for H3 did not emerge.

**Kukui Nuts Division of Nuts.** As mentioned, only one young-young dyad and one young-old reached an integrative solution. Three other dyads reached an agreement of some sorts, but did not indicate how they divided the nuts amongst the two negotiators. For the
remaining 69 dyads that reached an agreement, we calculated the percentage of nuts taken by younger targets. No main effect emerged for dyad age on percentage of nuts taken by younger targets, $t(67) = -1.13, p = .26$, although younger targets did take a lower percentage of nuts for themselves when negotiating against younger counterparts ($M = .42, SD = .20$) compared to older counterparts ($M = .48, SD = .28$).

**Parker Gibson Lot Selling Price.** For the Parker Gibson exercise, there was no main effect of dyad age on lot selling price, $t(107) = 1.49, p = .14$, although younger targets did sell the lot at a higher price to younger counterparts ($M = 27187.96, SD = 6687.87$) than to older counterparts ($M = 25381.82, SD = 5958.13$).

**Discussion**

The present research examined whether young-young and young-old dyads use different negotiation tactics (dyad-level), whether younger negotiators use different tactics when negotiating with younger versus older counterparts (individual-level), and whether young-young and young-old dyads achieve different negotiation outcomes (negotiation-level).

Overall, our findings suggest that differences in negotiation tactics materialize in integrative negotiations, such as the Kukui Nuts exercise. Looking at the dyad level, young-old dyads used fewer distributive tactics and more integrative tactics compared to young-young dyads. Looking at the individual level, younger negotiators used more integrative tactics when negotiating with older counterparts compared to younger counterparts. Moreover, older negotiators used more integrative tactics than younger negotiators overall. Although trending in the same direction, these findings failed to reach significance in the Parker Gibson exercise—most likely because it was a straightforward single-issue distributive negotiation, providing very little opportunity to use integrative tactics.
However, to our surprise, young-old dyads’ higher use of integrative tactics did not help them achieve more positive negotiation-level outcomes. Dyads were only given eight or ten minutes to negotiate, and integrative tactics such as rapport-building and searching for mutually beneficial agreements take time — our time limits may have prevented integratively-oriented young-old dyads from discovering agreements that satisfied both parties.

Nonetheless, the negotiation tactics results for both exercises consistently follow the pattern predicted by our hypotheses, suggesting that young-old dyads, as compared to young-young dyads, are more cooperative and less competitive, and they use negotiation strategies that promote the discovery of mutually beneficial agreements. We now discuss the implications of these findings in light of existing scholarly literature, as well as practical implications for the increasingly multigenerational workplace.

**Integrative Generational Interactions: The (Continuous) Uniqueness of Age?**

A substantial body of research on intergroup conflict suggests that individuals behave aggressively towards members of the outgroup. In the negotiation context, research suggests that mixed-race (Gilin Oore et al., 2013), mixed-gender (Bowles & Flynn, 2010) and mixed-culture (Brett & Okumura, 1998) negotiations are more distributive and less integrative. From this standpoint, and in line with the “competing generations” perspective mentioned earlier in this paper, one might expect that generations placed in a competitive negotiation context would come to blows in a similar fashion.

However, these literatures have neglected to explore the nature of interactions between younger and older adults. We demonstrate that, unlike other forms of intergroup negotiations, intergenerational negotiations are more integrative and less distributive. This suggests that cross-generational negotiations may operate differently from other intergroup negotiations. One
explanation is that age is distinct from other constructs in that individuals expect to be older someday (North & Fiske, 2012); thus, perhaps being placed in a room with a “future self” of sorts helps alleviate the intergroup tension that would ordinarily exist (Bryan & Hershfield, 2012). Future research should recognize the distinctiveness of age as a construct and pay closer attention to the unique nature of intergenerational interactions, both within the negotiation domain and beyond.

The Hidden Value of Intergenerational Interactions

In a related vein, the current findings suggest that hidden benefits lie below the surface of generational interactions—scholarly research on which is, in itself, relatively scant (North & Fiske, 2015). Instead, prior work more commonly elucidates age-based prejudice and generational tensions in the workplace. For instance, research on prescriptive age stereotypes regarding Succession suggest that younger adults believe older adults should retire to open up workplace opportunities (North & Fiske, 2013). However, these studies only measure age-based attitudes, and as noted previously, very few research studies have examined what happens when people of different ages actually encounter one another.

By contrast, we find that young-old interactions are more cooperative and less competitive, suggesting that there is value in intergenerational interactions. This finding dovetails with prior research showing that older adults adopt cooperative and other-oriented mindsets in social and decision-making situations (North & Fiske, 2012; Grossmann et al., 2010; Grossmann et al., 2012), suggesting that the presence of an older adult may reduce younger adults’ tendencies toward behaving competitively and aggressively. Bringing age groups together potentially heals intergenerational tensions in the workplace, and perhaps the issue is that age groups do not interact with one another by default. In short, our results challenge the
common belief that generational tensions plague the workplace by suggesting that under the right circumstances, getting age groups together yields tangible benefits.

**Practical Implications**

Often, older workers are stereotyped as unproductive, inflexible, and unaccepting of technology (US EEOC, 2017), while younger workers are characterized as lazy, entitled job hoppers. Focusing on these generational stereotypes, which serve to divide generations, is not adaptive for an increasingly aging and multigenerational workforce. This is especially true in light of our results, which demonstrate that the presence of multiple generations yields quantifiable benefits in the context of workplace negotiations.

Even beyond the context of negotiations, these findings potentially suggest a set of circumstances in which age-diverse teams grow friendly and collaborative. To date, research on age diversity has been linked with primarily negative or null outcomes (North, 2019). Nevertheless, in light of the shifting age demographics in the workplace, it is critical that organizations identify sources of hidden value in age-diverse workforces. The current findings present an encouraging start to that aim.

**Limitations and Directions for Future Research**

Although the current findings suggest that young-old (versus young-young) dyads use fewer distributive tactics and more integrative tactics, a process-based explanation for this effect remains unclear. Future research should examine such potential mechanisms; for example, research shows that older adults are stereotypically viewed as warm (Fiske, 2012) and perceiving one’s negotiation counterpart as warm reduces fixed-pie perceptions (Demoulin & Teixeira, 2010), which has been found to help negotiators come to more integrative agreements (De Dreu, Koole, & Steinel, 2000).
Moreover, due to the current paper’s primary goal of testing the effect of a presence of an older (versus) younger adult on young negotiator strategies, we did not include old-old dyads in our sample. However, the finding that older negotiators use more integrative tactics than younger negotiators in the same role is a finding warranting further exploration in its own right—that is, what are the unique negotiation strategies used by older adults? By investigating old-old dyads, future studies can more clearly ascertain differences between young and old negotiators, as well as how the presence of a younger versus older counterpart affects the negotiation behaviors of older adults in general. Pragmatically speaking, as the U.S. workforce rapidly ages, older employees will continue to populate the workforce. Thus, it would benefit organizations and organizational scholars alike to understand dynamics between all age combinations of employees, including pairs of older employees.

**Conclusion**

The U.S. workforce is becoming increasingly older and intergenerational, and these trends will significantly shape organizational practices and outcomes. In contrast to the typical message that organizations must learn to “accommodate” these trends—the current findings are among the first to explicate the explicit benefits of these changes. By illustrating how older (versus younger) negotiators use more integrative strategies, and how cross-generational (versus unigenerational) negotiations are more integrative, this paper highlights how organizational scholars may finally begin to elucidate consistently the value of age diversity. By the same token, as the workforce ages and intergenerational workplace interactions become more common, organizations must consider how to best capitalize on (and not just accommodate) these changing workplace trends.
References


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North, M.S. & Shakeri, A. (2019). Workplace subjective age multidimensionality: Generation,


### Appendix A: Integrative vs Distributive Negotiation Tactics Coding Manual

<table>
<thead>
<tr>
<th>Negotiation Tactic*</th>
<th>Category</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributive</td>
<td>Request for purely quantitative offer</td>
<td>Request for an offer that only address prices and number of nuts to be divided (no additional terms)</td>
</tr>
<tr>
<td></td>
<td>Purely quantitative offer</td>
<td>Offers that only address prices and number of nuts to be divided (no additional terms)</td>
</tr>
<tr>
<td></td>
<td>Question needs/wants/limits about prices or nuts</td>
<td>Question about needs, wants, and limits when it comes to prices or number of nuts to be divided.</td>
</tr>
<tr>
<td></td>
<td>State needs/wants/limits about prices or nuts</td>
<td>Statements about needs, wants, and limits when it comes to prices or number of nuts to be divided.</td>
</tr>
<tr>
<td></td>
<td>Question main goal in negotiation</td>
<td>Questions that attempt to understand the other party's general goal in the negotiation.</td>
</tr>
<tr>
<td></td>
<td>Statement of main goal in negotiation</td>
<td>Statements that explain the negotiator's general goal.</td>
</tr>
<tr>
<td></td>
<td>Reference to own BATNA</td>
<td>References to one's own Best Alternative to a Negotiated Agreement</td>
</tr>
<tr>
<td></td>
<td>Antagonistic comments</td>
<td>Threats and accusations</td>
</tr>
<tr>
<td></td>
<td>Substantiation and persuasion, or challenge or question the argument presented</td>
<td>Any arguments and attempts to influence the other party. Any statement that attempts to drive the selling price up/down or convince the other party to give up more nuts. Challenges or questions to the argument presented by the other party.</td>
</tr>
<tr>
<td>Integrative</td>
<td>Integrative offers</td>
<td>Offers or mentions that include additional terms, not just a discussion of prices and number of nuts.</td>
</tr>
<tr>
<td></td>
<td>Question underlying interests</td>
<td>Questions that attempt to understand the underlying motivations and interests of the other party.</td>
</tr>
<tr>
<td></td>
<td>State underlying interests</td>
<td>Statements that explain the underlying motivations and interests of the negotiator.</td>
</tr>
<tr>
<td></td>
<td>Indicate a desire to cooperate or reach an agreement</td>
<td>General statements that indicate a desire to cooperate or reach an agreement.</td>
</tr>
<tr>
<td></td>
<td>Schmoozing</td>
<td>Casual, friendly talk not directly related to the negotiation.</td>
</tr>
<tr>
<td>Neutral</td>
<td>Question about case information</td>
<td>Questions about general case information</td>
</tr>
<tr>
<td></td>
<td>Discuss case information</td>
<td>Statements about general case information</td>
</tr>
<tr>
<td></td>
<td>Discuss offer</td>
<td>Any reactions to offers, asking clarifying questions about the offer, and asking whether or not an agreement has been reached.</td>
</tr>
</tbody>
</table>
All other, one word answers, interruption, uncodable, misc

Statements that don't fall into any other category, including one word answers that don't fall into the other categories, interruptions, uncodable statements, etc.

*For the Parker Gibson exercise, coders were not told which categories belonged to which negotiation strategies.