Exploring The Missing Link Between Trust in Business Negotiation and Virtual Work

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Abstract:
This article addressed the relevance of Trust in online business negotiations. The purpose of this paper is two-fold. Firstly, this article provides an overview of the literature on Trust, business negotiations, and virtual work to address the research gap on Trust in virtual business negotiations. Secondly, based on this overview, we developed a theoretical model encompassing factors, practices, and tools that impact Trust in online business negotiations. After a systematic review, key findings pointed out that Trust significantly influences the virtual negotiation environment. Also, we discovered that we need to study coherently defining the factors that influence Trust in the virtual environment and demonstrate how it is connected to the overall virtual negotiation process. We conclude that the factors, practices, and tools that directly influence online negotiations are distance, time, perceived distance, culture, available technology, and reputation.

Keywords: Trust, Online business negotiation, Virtual work, Business negotiation, COVID-19, Technology.

Introduction
This work is part of the doctoral thesis (Santos, 2023). Trust is one of the main pillars of successful business negotiation and virtual work, especially during crises. The market's instability during these periods amplifies uncertainty and increases distrust amongst organizations and individuals. In the first quarter of 2020, COVID-19 appeared and is today still impacting the economy and the business environment. Businesses have faced several problems, and many companies went bankrupt during this time. The unemployment rate increased, with more than 20 million official jobs being lost between March and April 2020 in the USA alone (Petrosky-Nadeau & Valletta, 2020), and those who remained in the market had to adapt to the challenges of this new reality (Nicola et al., 2020).

The World Health Organization (WHO) suggested several measures, including strict isolation and prevention practices, to contain the spread of the virus (Nicola et al., 2020). In addition, organizations had to rapidly adapt their working processes and operations to remain stable and competitive in the market. The standard work model where employees are physically present in offices has often replaced remote work facilitated by changing internal and external communication processes (Morrison-Smith & Ruiz, 2020).
Business negotiation is one area that was heavily impacted because the typically face-to-face interaction between buyers, sellers, partners, and dealers is now predominantly conducted virtually. This sudden change resulted in a much more challenging negotiation process where negotiators are now obliged to create and maintain trust virtually. Furthermore, the traditional face-to-face, and thus more personal approach, allows for close interaction (Dias et al., 2023; Dias et al. 2023b; Herbsleb & Mockus, 2003), while exchanging via a screen places great distance and less opportunity to build trust (Sarker et al., 2011). Therefore, this paper contributes to the knowledge of trust for companies to improve and adapt virtual negotiations by addressing the following question: Which factors, practices, and tools impact trust in online business negotiations?

Finally, the paper is organized into seven sections. The second following, titled 'Research Gap,' explains the need to expand traditional research on trust and negotiations to include virtual work. The third part comprises all methodological matters, while part four is dedicated to the literature review. Section five discusses the findings, resulting in a theoretical model showing how trust is connected to virtual negotiation. Section six is dedicated to propositions for future research and limitations. Finally, in section seven, we conclude and summarize our study.

Research Gap

Trust and business negotiations have been studied extensively before, but a fresh look is needed to include the changing working environment. Crisis such as COVID-19 and the increasing and improving technological advances necessitates this research. We have identified four essential elements to consider.

Firstly, the most recent literature review addressing the role of trust and how it impacts the negotiation process (Ross & Lacroix, 1996) was conducted more than twenty years ago. Nevertheless, business negotiations are part of the everyday life of a company. Furthermore, many relevant changes have taken place. For example, technology in the business environment is discussed further below.

Secondly, there needs to be more literature regarding the factors that influence trust in virtual business negotiations. A few recent studies have attempted to address related issues, such as the role of trust in the negotiation process or how trust increases and decreases (see, for example, Kähkönen (2021); Koeszegi (2004); Kong et al., (2014) and Lewicky and Polin (2013). None of them, however, linked trust and business negotiations to online work. Also, neither has addressed the central question of this article, which is identifying the factors, practices, and tools that impact trust in virtual business negotiations.

Thirdly, most of the previous research on trust and negotiations needs to consider the technological progress and improvements in business practices over the past decades. This fact is significant because of more enhanced communication methods and tools. For example, most employees and other business stakeholders are mostly always reachable via electronic devices such as smartphones and notebooks, which facilitate synchronous and asynchronous communication (Morrison-Smith & Ruiz, 2020). These new tools have changed the working environment drastically and impact virtual work increasingly.

Finally, COVID-19 has changed the business environment, including business negotiations. Organizations that used to negotiate exclusively in person had to adapt to the predominant virtual negotiation environment, significantly increasing the interest in understanding the particularities of trust in virtual negotiations.

These factors accentuate the need for an update of the literature on trust and business negotiations and the necessity for a new literature review to reflect these current needs. In the next section, we explain the steps we took to develop this updated research culminating in a recent literature review on trust and business negotiations.
Methods and Materials

In this research, we adapted the three main steps of the Systematic Literature Review method (Kitchenham and Charters, 2007) to guide our research process. These steps are: (i) Planning the review: We develop the research question, the investigative questions, and the review protocol. This fact helped in defining the keywords used to search for relevant articles; (ii) Conducting the review: This step requires searching relevant articles based on specific keywords identified in step (i), and (iii) Reporting the study: In this final step the results, discussion, and findings are reported. Below we explain how we adjusted these steps to develop our literature review. We also followed an inductive rationale and interpretive approach.

(i) Planning the review: After extensive reading on trust and virtual negotiations and related papers, we identified that the articles predominantly refer to face-to-face negotiations and trust in general. This fact meant that no studies defining the factors that influence trust in virtual business negotiations exist. This issue led to the following research question: "What factors affect trust in online business negotiations?"

To simplify the search for relevant articles and to identify precise keywords, we also developed the following three investigative questions: (a) What are the Factors that affect trust in online business negotiations? (b) What are the Practices that affect trust in online business negotiations? (c) What are the Tools that affect trust in online business negotiations?

The main keywords were negotiations, trust, virtual, online, and remote work. We also used synonyms to expand the search. Finally, we combined these keywords to precisely target articles related to the subject.

(ii) Conducting the Review: keywords were identified on searching articles on Google Scholar and EBSCO (a research database). These two sources were searched and cross-referenced simultaneously. Inclusion criteria encompassed articles cited the most, containing empirical evidence and generalizable findings from influential authors of their field of knowledge. In addition, the exclusion criteria were papers unrelated to one of the investigative questions and not in English.

To link the factors that affect trust and virtual business negotiations, we considered another field, virtual work or teleworking. In this literature, we identified the difficulties of performing tasks in the virtual realm and found several aspects and factors that can be analogous to the challenges of negotiating virtually.

(iii) Reporting the Review: The following two sections (the final literature review and the findings and discussion) is an extension of this third and final step.

Literature Review

We explored the literature on trust, business negotiations, and virtual work. Virtual work could be important here as we assume that its challenges and particularities are similar to the difficulties of trust in virtual business negotiations. Therefore, we start with trust theory, follow up with trust in business negotiations and conclude by considering relevant aspects of virtual work.

Trust

Trust has been studied from many different perspectives and areas (Kalat, 2016). We are explicitly basing our study on the psychological and behavioral approaches which form the cornerstone of studies where trust is center-stage. We complemented this point of view by considering trust-building, a crucial element of negotiations (Kähkönen, 2021). Trust has been studied over the past decades on different perspectives: Behavioral versus Psychological.

Firstly, the behavioral approach (Thompson, 2015, 1980; Bazerman, 2014; Bazerman & Malhotra, 2007; Williamson, 1981; Walton & McKersie, 1965; Deutsch, 1958), and the (ii) psychological approach (Mayer, Davis & Schoorman, 1995; Rousseau, Sitkin, Burt, & Camerer, 1998; Shapiro, Sheppard, & Cheraskin, 1992).
Secondly, the psychological approach, in turn, is divided into (a) unidimensional approach (Mayer, Davis & Schoorman, 1995); (b) two-dimensional approach (Lewicki & Stevenson, 1998), and (c) transformational approach, in which Trust may change and evolve throughout time (Lewicki & Bunker, 1995, 1996; Shapiro, Sheppard, & Cheraskin, 1992). Table 1 depicts the theoretical approaches on Trust as follows:

<table>
<thead>
<tr>
<th>Key Questions</th>
<th>Behavioral</th>
<th>Psychological</th>
<th>Transformational</th>
</tr>
</thead>
<tbody>
<tr>
<td>How trust is defined and measured?</td>
<td>Derived from confidence. Measured by observable behavior in experiments</td>
<td>positive expectations; scales from distrust to high trust</td>
<td>trust = positive expectations distrust = negative expectations</td>
</tr>
<tr>
<td>At what level does trust begin?</td>
<td>From zero or from cooperative behavior</td>
<td>from zero to initial trust</td>
<td>from low levels begins at calculus-based stage.</td>
</tr>
<tr>
<td>What causes trust (distrust) over time?</td>
<td>Increase if cooperative behavior (increase if competitive behavior)</td>
<td>greater number of positive (negative) interactions</td>
<td>number of positive (negative) interactions grows with positive relationship (grows with disconfirmed expectations)</td>
</tr>
</tbody>
</table>


Trust is considered a state of mind (Rousseau, Sitkin, Burt, & Camerer, 1998). Lewicki & Hanke (2012) related three crucial factors to be taken into consideration regarding Trust: (a) situational, circumstantial factors may promote an environment of trust (Dias, 2016); (b) reputation plays an important part on trust, and (c) past experiences and the personality traits are the Trust driving forces (p.214). Trust is also risk-taking, in every relationship (Schoorman, Mayer & Davis, 2007).

Behavioral approach on Trust, and the Trust/Agreement Matrix

On the behavioral approach of Trust, Bock (1987) devised a two-dimensional matrix on Trust, named the Trust/Agreement Matrix, illustrated in Figure 1.

Psychological Transformational Approach of Trust

Trust is also analyzed as Transformational (Dias, 2018, 2016; Shapiro, Sheppard, & Cheraskin, 1992; Gover, 1994; Lewicki and Bunker, 1995, 1996; Lewicki and Stevenson, 1998; Shapiro et al., 1992). Recent studies identified six nuances of the Transformational approach: (a) Deterrence-Based Trust; (b) Calculus-Based Trust; (c) Knowledge-Based Trust; (d) Identification-Based Trust; (e) Compelled-Based Trust, and (f) Distrust, as displayed in Table 2.

Figure 1. Trust/Agreement Matrix. Adapted from Bock (1987)
<table>
<thead>
<tr>
<th>Nature of Trust</th>
<th>Definition</th>
<th>Author(s)</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distrust (DTR)</td>
<td>DTR is the lack of confidence in the other, a concern that the other may act so as to harm one, that he does not care about one’s welfare or intends to act harmfully, or is hostile.</td>
<td>Govier</td>
<td>1994</td>
</tr>
<tr>
<td>Deterrence-based trust (DTBT)</td>
<td>DTBT is based on the threat of punishment if consistent behavior is not maintained. Trust based on dissuasion.</td>
<td>Shapiro, D.</td>
<td>1992</td>
</tr>
<tr>
<td>Calculus-based trust (CABT)</td>
<td>CABT is based upon the assumption that trustors are positive about their future outcomes. Trust based on risk taking.</td>
<td>Lewicki and Bunker</td>
<td>1995/1996</td>
</tr>
<tr>
<td>Knowledge-based trust (KNBT)</td>
<td>KNBT occurs when both trustor and trustee are capable to anticipate, and to predict future negotiations outcomes based on previous experiences and consistent interactions along time. Such predictions maybe positive as well as negative. Trust is based on past interactions.</td>
<td>Lewicki and Bunker</td>
<td>1995/1996</td>
</tr>
<tr>
<td>Identification-based trust (IDBT)</td>
<td>IDBT is This highest level form of trust which allows a trust between trustee and trustor with no precedents. One rely on the other on positive expectations and future actions, in order to mutual assistance in achieving their objectives and goals.</td>
<td>Lewicki and Stevenson</td>
<td>1998</td>
</tr>
<tr>
<td>Compelled-based-trust (CPBT)</td>
<td>The Compelled-Based Trust (CBPT) is a Transformative or Evolutionary Trust, in which trustors, with no previous information on their counterparts’ reputation, are compelled to trust by greater circumstantial forces, in unknown trustees.</td>
<td>Dias</td>
<td>2016</td>
</tr>
</tbody>
</table>


**Psychological Approach**

There is a consensus that trust is the willingness of an individual to accept vulnerability by expecting positive intentions from others (Erikson, 1950; Rousseau et al., 1998; Lewicki et al., 2006). To form relationships and live in a society, the individual needs the ability to trust others (Erikson, 1950). Trust is "a psychological state comprising the intention to accept vulnerability based upon the positive expectations of the intentions or behavior of another" (Rousseau et al., 1998, p. 395). Trust is a psychological condition composed of two interrelated perception processes. The first is about the willingness to accept exposure concerning the actions of another party. The second is that, even though uncertainty may exist, there are optimistic assumptions regarding the other party's intentions, motivations, and behavior (Lewicki et al., 2006).

Butler (1991) devised the following attributes for Trust: (a) promises (b) openness, (c) availability, (d) receptivity. (e) competence, (f) discreteness, (g) consistency, (h) fairness, (i) loyalty, (j) integrity, and (k) fulfillment. According to Lewicki & Polin (2013), Trust is focused on the trustor expectations. Trust is different from confidence. Rotter (1967, 1980) pointed out confidence as an universal attitude, or a journey towards the self, whereas Trust is a psychological vulnerability (Rousseau, Sitkin, Burt, & Camerer, 1998).
**Psychological Approach**

Contrary to the psychological approach, the behavioral approach considers the environment into which individuals are inserted (Lewin, 1951; Cattel, 1966). An individual's behavior is related not only to his particularity, wishes, or desires but is also a product of the environment (Lewin, 1951). Indeed, cultural values affect the perception of trust (Kalat, 2016).

Also, the magnitude of the behavioral response is proportional to the stimulus the person has given to a specific situation or environment (Cattel, 1966). The individual's interpretation of all situations is related to the cultural environment in which the person was raised (Kalat, 2016).

**Trust Building**

Trust building, for some researchers, is the pillar of any conflict resolution strategy (Bazerman & Neale, 1993). The individual's perception of creating bonds of trust is integrity, ability, and benevolence (Schoorman et al., 2007).

**Trust and Business Negotiation**

Negotiation is a communication process between two or more parties looking for an agreement that satisfies their interests (Salacuse, 2003). This relationship is built on trust, as it is a condition that defines if the negotiator is willing or not to take the risk in seeking opportunities (Kelley, 1996). Negotiation is a phenomenon studied from different perspectives. Fields such as social psychology, management, behavior, and political science comprise the vast and multidisciplinary body of knowledge.

“Negotiation is a process of communicating back and forth for the purpose of reaching a joint decision” (Fisher, Ury & Patton, 1981, p. 20). Negotiation is also “a process of communication by which two or more persons seek to advance their individual interests through joint action.” (Salacuse, 2006, p. 7). Dias (2016) defined negotiation as “a social interaction process, which involves two or more persons, regarding their interests, identity, and cognition, and dedicated to reaching an agreement over the substance negotiated through mutual gains.” (p.29)

The locus of negotiation is usually referred to as the bargaining table. According to Fisher & Ury (1981), a bargaining table is where a negotiation occurs, not necessarily the furniture. In this case, the virtual domains are considered the bargaining table.

At the negotiation table, the negotiators should work cooperatively to increase the chances of creating an equally acceptable solution that satisfies mutual interests (Lax & Sebenius, 1986). This idealized model can work very well if all parties are willing to collaborate and exchange information equally. However, many negotiators may recognize that this type of attitude puts them at a disadvantage since sharing information about their real interests allows the other parties at the negotiating table to take advantage of it.

Negotiators should aim to identify and seek their mutual interests. The negotiator’s role is to find ways to improve the result and create alternatives to increase their own and the other's welfare (Fisher et al., 2011). In order to accomplish this model and achieve its goals of creating an equally acceptable solution that satisfies mutual interests, all parties must work cooperatively with each other to increase their chances (Lax & Sebenius, 1986) by sharing information about their interests. This model can work very well if all parties are willing to collaborate and exchange information equally. However, many negotiators may recognize that this may put them at a disadvantage since, by sharing information about their real interests, the other parties at the negotiating table can take advantage. In this situation, only trust defines the willingness of the negotiator to take the risk (Kelley, 1966).

Loomis’ (1959) Trust Information Model says that trust is based on the intention to cooperate and the expectation that the other will cooperate. Also, the threats of retaliation for noncooperation and the punishment if there is no cooperation influence the perception of trust during a negotiation. In addition, Pruitt and Kimmel (1977) expanded these concepts of trust by proposing five elements of risk-taking: (a) the statements of confidence among the negotiators, (b) the willingness to compromise, (c) the faith...
in the other negotiator that will not compete, (d) the willingness to make concessions unilaterally, and (e) the willingness to exchange information trusting that it will not be used against the negotiator himself.

Another angle introduces two factors which are the negotiator's personality (motivational and orientation and attitudes) and the situational factors (communication, power, and other characteristics) (Kee & Knox, 1970). This perspective demonstrates that several factors can influence trust in the negotiation process.

Trust is connected to studies of business negotiations, even if implicitly. We identify trust by drawing a parallel between the content of business negotiations and how it is connected to trust theory. According to Olekalns & Adair (2013), the negotiation process could be divided into four major fields of negotiation research. This framework englobes (a) Individual Processes: Focused on the individual and thoughtful approach during negotiation, such as individual differences, emotions, motivation, and pre-established mental models. (b) Social Psychological Processes: Focused on the interaction between individuals during negotiations by taking into account aspects such as power and influence, trust, ethics, justice, gender, and culture. (c) Communication Processes: Focused on how the communication between the parts is made. Frequencies, sequences, turning points, and the negotiation environment play a role in this process. Communication is linked to trust studies that highlight the need have a minimum of trust between the parties (Lewicki et al., 2006).

As discussed in previous sections, there are several definitions and models of trust in business negotiations. Therefore, we have created a summary of the negotiation process according to various streams of literature in the following Table 3.

<table>
<thead>
<tr>
<th>Negotiation Phases</th>
<th>Key Question</th>
<th>Pre-Negotiation</th>
<th>Negotiation Process</th>
<th>Post-Negotiation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definition and time framework</td>
<td>The first phase of the negotiation is before the negotiation starts. It could be any moment before the negotiation process starts</td>
<td>The main phase is when the communication between the parties begins.</td>
<td>The final phase starts when the negotiation ends with an outcome.</td>
<td></td>
</tr>
<tr>
<td>Objectives</td>
<td>Definition of own interests and goals</td>
<td>Decision-making depends on the other parties in order to satisfy the interests through a communication process.</td>
<td>Analyze whether expectation have been achieved.</td>
<td></td>
</tr>
</tbody>
</table>

Table 3. Summary of the Negotiation Process

Individual processes focus on the introspective approach during negotiation, such as individual differences, emotions, motivations, and pre-established mental models. These concepts link the individual particularities that could influence the establishment of trust (Kalat, 2016) and, therefore, the negotiation outcome. Social Psychological Processes encompass the interaction between individuals during negotiations by taking into account aspects such as power and influence, trust, ethics, justice, gender, and culture. In this case, trust is cited explicitly. It is in line with authors who argue that interaction between individuals always takes place with a tendency to trust each other through the benefit of the doubt, except when there is clear evidence for no trust in the other party (see, for example, Rotter, 1971; Yamagishi, 1988).

Finally, Communication processes are about how the communication between the two parties occurs. Factors such as frequencies, sequences, turning points, and the negotiation environment play a role in this process. Communication is linked to trust studies that highlight the need have a minimum of trust between the parties (Lewicki et al., 2006).
We asked four critical questions to show each phase's essential aspects. These questions are about the definition and time framework, objectives, tangible and intangible elements such as reputation and emotions involved, and the tools used in each phase. We found that some authors only place trust in the negotiation process (Pruitt & Kimmel, 1977; Kee & Knox, 1970; Loomis, 1959). However, according to studies (Rotter, 1971; Yamagishi, 1988), the individual's reputation also influences trust. Therefore, we can assume that trust is also present before the negotiation begins. For example, with the amount of online information, negotiators may need help to avoid non-compliance, especially when negotiating virtually. In such cases, negotiators are not physically present to be sure that the other company truly exists. A physical environment provides cues that enhance trust, but in virtual negotiations, these important cues are absent, making elements such as reputation a key factor of trust. These types of challenges are further discussed by looking at virtual work.

**Virtual Work**

Globalization aligned new technologies and the need to quickly exchange information resulting in a new concept called the virtual environment. With the internet and the online domain, a new opportunity was generated. By using online tools, workers can now collaborate with others in different geographically distributed places. This phenomenon is known as virtual teams (Morrison-Smith & Ruiz, 2020).

According to Dubé and Robey (2009) and Lipnack and Stamps (1997), virtual teams, as opposed to co-located teams, have more difficulties collaborating in daily activities. For example, it is still challenging to collaborate as a team, even with technological resources such as phone and video-conferencing tools (Morrison-Smith & Ruiz, 2020). We further discuss these difficulties by considering the following five factors: distance, temporal, perceived distance, culture, and technology.

**Distance factor:** The issues related to the distance factor are motivation, trust, and lack of communication. Concerning motivation, an employee who perceives that he or she is being watched tends to work harder than when alone (Olson & Olson, 2006). Trust has been shown to be more challenging to establish and maintain in virtual teams (McDonough et al., 2001; Olson & Olson, 2006; Sarker et al., 2011). One of the reasons is the difficulty of having no possibility of personal interactions, and the other is related to the lack of sense of non-visual cues making it challenging to understand the other's intentions (Jarvenpaa & Leidner, 1999; Eisenberg & Krishnan, 2018). Finally, a lack of informal and face-to-face communication plays a significant role in forming relationships. According to Herbsleb and Mockus (2003), teams in the exact location have seventy-five minutes of informal conversation during the work day. These exchanges occur during coffee breaks and unplanned meetings in hallways (Armstrong & Cole, 1995). In a virtual environment, these opportunities are severely reduced. The opportunity to exchange knowledge also drastically decreases. In virtual work, employees tend to be more formal and proceed directly to the objective of the meeting, thus avoiding small talk (Kraut et al., 2002) and having less opportunity to create bonds and trust.

**Temporal factor:** The time availability of online teams can restrict the exchange of information and the speed of information (Bjørn & Ngwenyama, 2009).

**Perceived Distance:** The concept behind perceived distance is not related to space-temporal distance but to the emotional and relational boundaries that a group has with each other (Robert, 2016). Some authors define it as the sense of closeness independent of physical presence (Raymond, 1999). To resume the idea,
we understand perceived distance as an emotional connection that involves empathy, rapport, and connection between the workgroup that facilitates the exchange of experiences and the execution of tasks.

Culture: The organization’s culture directly influences how the workgroup relates with each other. Some business cultures incentivize the exchange of knowledge between teammates and lead to cooperation, while others incentivize competition (Olson & Olson, 2000). Another topic regarding culture in virtual teams is the language used. The language used in a group of individuals could cause misunderstanding and influence individual perception if the other is willing to cooperate or compete (Agerfalk et al., 2005). Technical language, for example, could cause animosity among some workers, and non-technical language could compromise the tasks related to a project.

Technology: Since the computer and internet age, informational technology has constantly evolved. It allows almost instantaneous communication, providing greater freedom of work and experience within organizations. Within the organizational context, it is possible to categorize two types of virtual communication concerning the time framework (Morrison-Smith & Ruiz, 2020): Firstly, asynchronous is a type of communication in which the involved ones are not communicating at the same time. It is carried out through tools that provide a historical record and traceability, such as e-mails, messengers, and fax. This type of communication allows the workers to coordinate shared efforts across time and distance. (Boland and Fitzgerald, 2004; Damian and Zowghi, 2002). However, these tools usually increase the time and work required to transmit and receive an idea (Agerfalk et al., 2005). Also, the risk that the information could be misunderstood is higher than with synchronous tools. Secondly, synchronous is a type of communication in which the involved ones communicate simultaneously, using tools to provide an instant exchange of communication (for example, cellphone calls, instant messengers, and virtual conferences). The advantage of this type of communication is the speed of transmission of information which can have faster responses and reduce the amount of work needed to convey an idea (O’Leary et al., 2012).

This overview allows us to make a clear connection between trust and the business negotiation process and the virtual environment by considering the challenges of virtual work and trusting virtually. Below is the outcome of this literature review, which resulted in a theoretical model based on the answer to our research question.

Findings and Analysis

Trust is a factor that can positively or negatively affect the negotiation process (Carnevale & Pruitt, 1992). Furthermore, the environment in which the negotiation is carried out can affect trust. We assume that the environment indirectly affects the negotiation process by resulting in facility or challenges. In this context, we generate a theoretical model for virtual negotiations. This negotiation model considers the most accepted standard models, the definitions of trust, and the factors that influence teleworking, as illustrated in Figure 2.

We summarize the model as follows - every negotiation has an outcome (positive or negative). This outcome is the conclusion of the negotiation process, which is directly or indirectly influenced by trust between the parties. Trust, according to the literature, is derived from several factors. For example, in virtual work models, some points influence team performance and the perception of trust between members. We use these starting points to identify the factors, practices, and tools that affect trust in the virtual environment.

Answer to the Research Question

Evidence from the literature review suggest that the literature review of trust in business negotiations link to virtual work through a series of factors related to the difficulty of establishing trust in teams that work remotely. The evidence shows that the difficulties of building trust in virtual work environments can be analogous to
the difficulties of building trust in virtual negotiations. Complementarily, the literature indicates that there are four factors, two practices, and one tool that influence trust in negotiations that occur in the virtual environment. The factors are (a) Distance factor; (b) Time factor; (c) Reputation; (d) Culture. The practices are related to (e) Perceived distance; (f) Preparation. And to conclude, the tools are related to (g) Available technology.

![Figure 2. Trust in Virtual Negotiation Model](image)

**Discussion**

Firstly, we structured the negotiation process in three phases (see Table 1): (a) Post-Negotiation Phase; (b) Negotiation Process Phase, and (c) Pre-Negotiation Phase, as follows:

**Post-Negotiation Phase:** A negotiation's outcome is the result of all parties involved in the decision-making process, which could be positive or negative (Cropanzano and Mitchell, 2005).

**Negotiation Process Phase:** The decision-making process is influenced by some aspects like emotions, relationships, individual goals, individual interests, and data analysis. According to the literature, it is possible to categorize emotions and relationships as an introspective process during a negotiation. These variables are related to the individual perception and are internalized. Goals, interests, and data analysis could be categorized as a social exchange process since these characteristics may or may not be shared among negotiators according to their degree of trust (Yamagishi et al., 2005; Loomis, 1959).

**Pre-Negotiation Phase:** The pre-negotiation phase is composed of the negotiators' preparation for the negotiation, as well as their reputation.

**Distance Factor:** The lack of face-to-face communication can create challenges in trust during a virtual negotiation, such as the lack of visual information and the individuals' facial and body expressions. Another issue is that during face-to-face negotiations, negotiators usually have informal conversations to "break the ice" before a negotiation to generate empathy with
the other (McDonough et al., 2001; Olson & Olson, 2006; Sarker et al., 2011).

Temporal Factor: The time zone difference can generate scheduling conflicts between negotiators, difficulty in getting in touch, and possibly negotiations at unfavorable times for some (Bjørn & Ngwenyama, 2009). In addition, a conflict situation can compromise trust building (Lewicki & Polin, 2013).

Reputation: The reputation of a company or individual in the market directly influences the trust among negotiators. Reputation is obtained through the perception of the experiences lived by that individual in the eyes of others. Reputation can define the degree of trust one trader places in another (Mayer & Davis, 1999; Kee & Knox, 1970).

Culture: influences trust during virtual negotiations. Since the language used during negotiations, as well as the way the negotiations are conducted. For example, negotiators from different cultures tend to get straight to the point, while others need an informal conversation to generate empathy. Also, what may be expected from one culture may be delicate for the other and may generate mistrust. Further, the corporate culture can influence the perception of trust between individuals (Kähkönen, 2021). A collaborative and competitive culture may divergently generate trust or distrust (Olson & Olson, 2000; Kalat, 2016; Carnevale & Pruitt, 1992).

Perceived Distance: is related not to the physical distance between the parties but to the emotional and relational ties between the individuals. This factor is directly linked to the empathy between the parties. Unlike face-to-face negotiations, the generation of empathy can be more challenging in virtual negotiations since there is no physical face-to-face contact (Robert, 2016; Raymond, 1999). This practice influences trust building (Lewicki & Polin, 2013).

Preparation: Preparation for a virtual negotiation is one factor that can influence trust in an individual. On the one hand, if the negotiator is well prepared by knowing what kind of communication he will establish, considering the cultural differences, and understanding the needs and interests of the opposition and himself, he can positively influence trust during the virtual negotiation. On the other hand, if he is unprepared, uses inappropriate language, and is unclear about his objectives, he can pass on a negative perception and generate distrust during the social exchange process (Fisher et al., 2011).

Available Technology: influences trust in virtual negotiations since different individuals may have distinct preferences regarding the type of communication (synchronous or asynchronous). In addition, the different means of communication between the parties may be a factor of ease or difficulty if they have different technology at their disposal. This factor may influence the generation of trust (Morrison-Smith & Ruiz, 2020; Agerfalk et al., 2005; Boland & Fitzgerald, 2004).

Limitations and Future Research

One of the limitations is that we relied upon only two sources to collect our data – Google Scholar and the EBSCO database. More and different databases could be included in future research. A second limitation is that trust is a concept that has been examined in many different contexts and could be studied from other perspectives about online negotiations. Therefore, we encourage field studies to test how the seven categories we identified play a role in online negotiations. We also propose investigations to find new evidence and factors impacting trust in the virtual environment, including business negotiations.

Conclusion

This study proposed to bridge a gap in the literature through a systematic literature review by examining trust in business negotiations and virtual work. The result is an updated literature review and a theoretical model that summarizes the factors, practices, and tools that can influence trust in negotiations conducted in virtual environments. We propose that distance, time, reputation, perceived distance, culture,
available technology, and preparation can influence trust in this type of negotiation. In addition to the theoretical contribution, we make a practical contribution by providing knowledge on trust in virtual negotiations for companies. With this understanding, organizations may create new strategies to improve online work and negotiations in this constantly changing working environment.

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