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Does Professional Practice Shape Judgment and Expectations about Lies in Contract Negotiations?

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Abstract

This study investigates how professional experience moderates the relationship between moral beliefs and legal expectations (normative judgment on whether legal consequences should be imposed) regarding lies in B2B contract negotiations. Integrating Lewicki's cost-benefit framework and Luhmann's systems theory with Rest's Four-Component Model of morality, we conducted a vignette study (N = 1.076) with German judges, lawyers, negotiators, and students. Our results show that moral beliefs and legal expectations are associated but not identical. We identify an asymmetry: evaluating a lie as morally acceptable almost eliminates the expectation of legal consequences, whereas evaluating it as immoral increases legal expectations. This relationship changes across professional and inexperienced groups. By linking professional practice to Rest's model, this study advances negotiation research by offering insight into how practitioners navigate the complexities and costs of lying. This refinement suggests that normative evaluations must consider professional socialization as a primary element that sharpens moral and legal judgments in business contexts.

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Lies are omnipresent practices that play a significant role in negotiations, sparking intense discussions on whether their use is or should be considered an acceptable business practice (Carr, 1968; Gaspar & Schweitzer, 2013; Jung, 2021; Michelman, 1983; Shell, 1991; Sherwood, 2022; Wetlaufer, 1990). In this context, understanding the elements that guide individuals' reasoning when accepting or condemning lies in B2B (Business-to-Business) contract negotiations remains a central question.

Cost-benefit analysis has long been used to understand negotiations (Lewicki, 1983; Lewicki et al., 2003; Tenbrunsel, 1998). From this perspective, individuals weigh the potential benefits of telling lies against anticipated costs to decide whether to use them. Previous research has strongly focused on moral beliefs as a source of those costs (Banai et al., 2014; Barry & Rehel, 2014; Carr, 1968; Carroll et al., 1988; Carson et al., 1982; Lewicki, 1983; Sherwood, 2022; Volkema et al., 2010), with the argument that the moral perception of this dilemma influences negotiation practice (Rashid, 2022; Sherwood, 2022). Indeed, it has been shown that individuals who rate a lie as unethical are less willing to use a tactic based on it (Volkema et al., 2010).

However, moral beliefs, defined as the judgment of a lie as moral or immoral, are not the only relevant consideration in assessing lies in contract negotiations (D'Amico & Poggi, 1994; Gneezy, 2005; Lewicki, 1983; Tenbrunsel, 1998). Individuals also consider reputational damage, relationship loss, and expected legal consequences when evaluating a lie in the business context (Lewicki et al., 2003). In this study, we consider both moral beliefs and legal expectations as distinct forms of normative evaluation relevant to understanding attitudes toward lies. We refer to legal expectations as normative judgments about whether the legal system should impose

consequences for the use of lies in negotiations.

Theoretical perspectives from moral psychology and sociology suggest that moral beliefs and legal expectations should not correspond perfectly. Rest et al.'s (1999) four-component model conceptualizes moral decision-making as a process involving moral sensitivity, moral judgment, moral motivation, and moral character. While the model explains how moral judgments are formed and can account for an individual's behavioral responses, it offers limited insights into how they relate to other normative responses or how contextual factors can shape them. Consequently, little is known about how moral beliefs relate to legal expectations, or whether this relationship varies across professional contexts.

According to Luhmann (2004), legal evaluations emerge within institutional systems and through communication. Consequently, individuals repeatedly exposed to professional socialization develop shared ways of approaching legal institutions and, therefore, expectations regarding their interventions. Through professional socialization, individuals acquire experiences, interpretative frameworks, and expertise that shape their expectations about how the law should be.

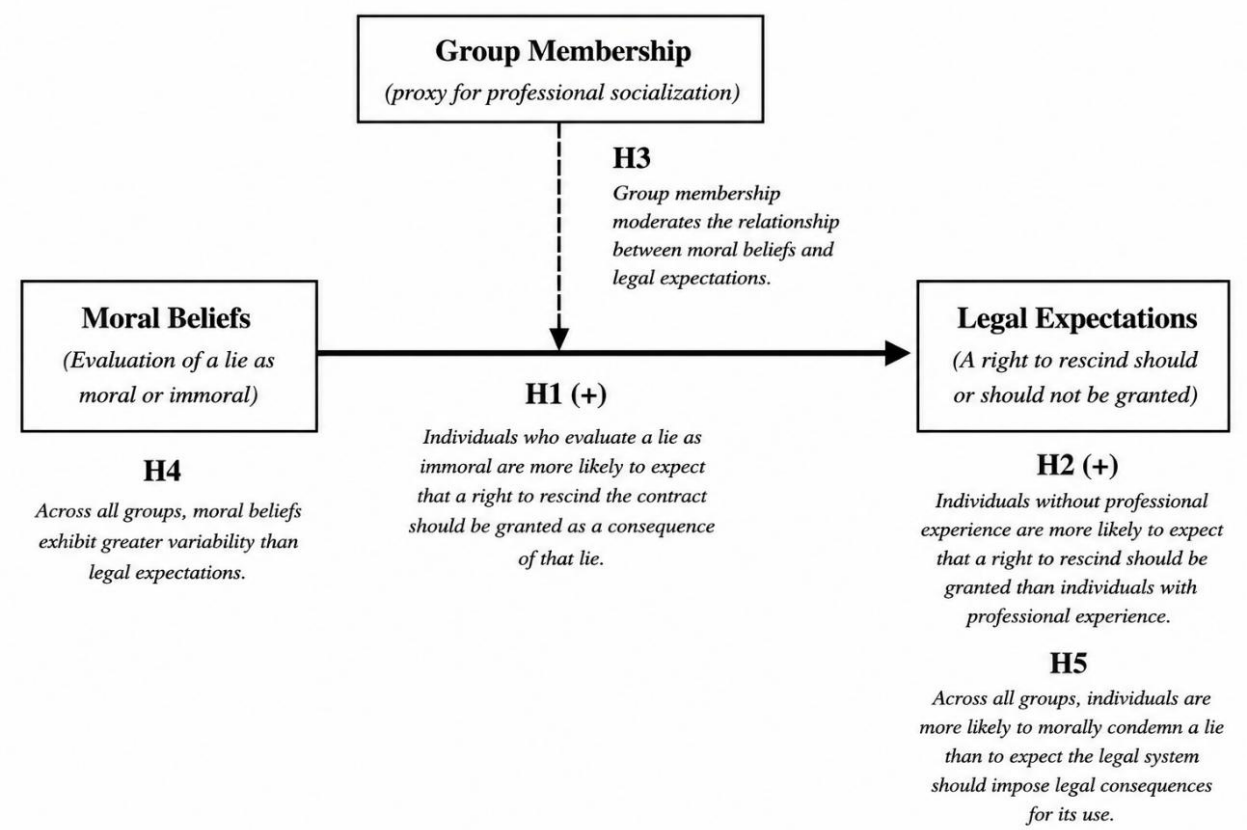
Drawing on Rest's model (1999) and Luhmann's systems theory (2004), we argue that professional socialization influences how individuals translate their moral judgments into legal expectations. We conceptualize professional groups as contexts of professional socialization in which individuals acquire domain-specific expertise by observing, interpreting, and engaging in their professional context. Consequently, professional experience may not only shape legal expectations but also influence how moral beliefs are translated into legal expectations.

In this context, our study examines the extent to which moral judgments are associated with legal expectations regarding lies in B2B contract negotiations and whether professional socialization moderates this relationship. To investigate this question, we examined nine types of lies commonly used in B2B contract negotiations and analyzed the moral beliefs and legal expectations of judges, lawyers, negotiators, and students in Germany. These groups differ in their levels of professional experience and socialization, allowing us to examine how the relationship between moral beliefs and legal expectations varies across different contexts.

Our findings show that moral beliefs and legal expectations are related but distinct forms of normative evaluations. Furthermore, their relationship is asymmetric: evaluating a lie as moral leads to almost no expectation of legal consequences, whereas judging it as immoral creates greater uncertainty regarding legal expectations. Finally, the relationship between moral beliefs and legal expectations varies across groups, suggesting that professional socialization shapes how individuals connect moral beliefs and legal expectations.

We contribute to literature in four ways. First, we advance negotiation research by introducing legal expectations as a distinct and relevant normative dimension for evaluating lies, complementing existing work on moral beliefs. Second, our study contributes to research on moral decision-making by examining how moral judgments translate into legal expectations, thereby extending Rest's (1999) four-component model. Third, our findings suggest that professional socialization, captured through group membership, moderates the translation of moral beliefs into legal expectations. In doing so, we show that professional socialization functions as an interpretative framework that shapes how individuals connect moral judgments and legal expectations. Fourth, we show that moral beliefs vary more than legal expectations do, suggesting that an institutional framework stabilizes legal expectations.

Figure 1 Conceptual Model of Moral Beliefs, Legal Expectations, and the Moderating Role of Group Membership



Note. The figure presents the theoretical framework guiding this study. Moral beliefs refer to the evaluation of a lie as moral or immoral. In contrast, legal expectations refer to whether a right to rescind should or should not be granted as a consequence of the lie. Group membership is conceptualized as a proxy for professional socialization and is expected to moderate the relationship between moral beliefs and legal expectations. H1–H5 correspond to the study hypotheses.

Background

Legal Framework for Lies in Contract Negotiations in Germany and other Jurisdictions

The legal regulation of lies in contract negotiations varies significantly across jurisdictions. German law is particularly strict regarding the use of lies in contract negotiations and considers all types of lies illegal. Section 123 (1) of the German Civil Code reads: “A person who has been induced to make a declaration of intent by deceit (…) may avoid its declaration”. Thus, German law stipulates that the party that was lied to has a right to rescind a contract if the other contractual party actively and intentionally lied about a fact and the lie induced an error in the party that was lied to (Armbrüster, 2021; Feuerborn, 2021; Rehberg, 2023; Wendtland, 2023). However, the harmfulness of a lie does not play a role in Section 123 of the German Civil Code, as the rule

generally protects the freedom to make decisions in a self-determined manner (Singer & von Finckenstein, 2021; von Lübtow, 1948; Weiler, 2002). German literature also rarely discusses exceptions to this rule, instead stating that all kinds of lies are regulated by Section 123(1) of the German Civil Code (Jung, 2024). Despite this comparatively strict legal framework, there is surprisingly little case law on rescission for lying outside the contract's object, price, and contracting parties.

In contrast, other legal systems adopt more differentiated approaches. French and Italian law, for example, both differentiate much more than German law between legal and illegal lies. The same is true for US-American law. Italian law, e.g., only allows voiding the contract if the party would not have consented to the contract's conclusion if they had been aware of the actual factual situation (*dolus causam dans*) (Antoniolli & Veneziano, 2005; Bonilini et al., 2012; Kötz, 2015). French law, for example, differentiates between lies with and without substantial effects on the contract, but does cover *dolus causam dans* as well as *dolus incidens* (Sec. 1130 (1) Code civil) (Chantepie & Latina, 2018; Terré et al., 2018). This means the party that was lied to can also rescind the contract, even if the lie led only to substantially different contract terms. In addition, French (Terré et al., 2018) and Italian (Ferrara, 1940; Gaudino, 1990; Trabucchi, 1960) law still recognizes the distinction between *dolus bonus* and *dolus malus*, even though this aspect is becoming more controversial (Chantepie & Latina, 2018; Gaudino, 1990; Terré et al., 2018). US law is similarly lenient toward lies, even though the legal mechanism differs under the common law system. In particular, US law leaves ample room for interpretation due to its many broad concepts (such as materiality and justified reliance) (Perillo & Calamari, 2009).

These differences across legal systems highlight the particularity of German law. Germany's strict legal framework leads to a situation where the practical use of lies in negotiations does not align with legal norms (Jung, 2024). In this sense, Germany constitutes a particularly interesting reference case. If individuals do not morally condemn and do not expect legal consequences for the use of lies in contract negotiations, even in a legal system with zero tolerance for lies, this suggests that, in more permissive jurisdictions such as the US, Italy, and France (Jung, 2024), the same should also be true. Thus, the results may also be extended to other countries.

Lies in Negotiation: A Cost-Benefit Perspective

Negotiation behavior has long been conceptualized within a cost-benefit framework (Lewicki, 1983; Lewicki et al., 2003; Tenbrunsel, 1998), in which the decision to use lies depends on the individual's assessment of its expected benefits and perceived costs. Some of the benefits negotiators might consider when using tactics that involve lies include gaining power, controlling information, and obtaining a competitive advantage (Kim et al., 2005; Lewicki et al., 2003; Robinson et al., 2000; Schweitzer & Croson, 1999), while the costs involve potential damage to reputation, relationship loss, moral self-sanction, or legal consequences (Lewicki, 1983).

Within this framework, both moral beliefs and legal expectations function as cost mechanisms. Moral beliefs capture whether individuals consider a lie morally acceptable, whereas legal expectations determine whether they believe there should be a legal cost. Consequently, both forms of evaluation show how individuals assess the desirability and acceptability of lies in B2B contract negotiations.

Building on this perspective, the following sections examine moral beliefs and legal expectations, their association, and the ways in which professional socialization moderates their relationship.

Legal Expectations

The literature distinguishes among different forms of belief regarding the legal order. In particular, Riezler (1946) distinguishes between the feelings about how the law should be and the feelings about how the law is. This study focuses on the feeling about how the law should be, and we use the term "legal expectations" to facilitate its understanding. We define legal expectations as individuals' normative judgments about how the legal system should respond to a particular behavior. In the context of our study, legal expectations refer to whether individuals believe that a right to rescind should be granted in response to the use of lies in B2B contract negotiations.

Prior research suggests that individuals' legal expectations do not necessarily reflect the actual state of the legal system (Rowell, 2019) or individuals' perceptions of how the law currently operates (Jung, 2024). Thus, rather than being based on accurate knowledge of the legal system or perception of its operability, legal expectations may emerge from other factors. However, empirical studies remain scarce and often focus on criminal behavior (Darley, 2001; Dölling, 1985) rather than on contractual or negotiation settings, thereby limiting understanding of how legal expectations form in the business context. Consequently, little is known about how individuals form legal expectations in the context of lies during contract negotiations.

One element that may help understand legal expectations is moral judgment, since a strong relationship between them is generally assumed (Kriele, 1985; Riezler, 1946; Robinson & Darley, 1995; Tyler, 2006*)*. Some of the few empirical studies on this matter (Dölling, 1985; Jung et al., 2026, 2025; Schleim et al., 2011; Tyler, 2006; Wilkinson-Ryan & Baron, 2009) also suggest that moral beliefs may have some explanatory value for legal expectations, in that moral condemnation can clarify or justify why individuals expect consequences from the legal system. However, it cannot be assumed that moral beliefs and legal expectations are the same.

Luhmann (2004) argues that legal expectations are not directly derived from moral or normative judgments, without denying the relationship between moral and legal discussions. Rather than simple inferences or reflections of moral beliefs, legal expectations take shape through communication, institutional practices, and interactions with the legal system. Accordingly, individuals may share similar moral beliefs while differing in their expectations about legal consequences.

Moral Beliefs Regarding Lies in Negotiations

Negotiations involve complex decision-making processes that encompass several interacting elements, including emotions, intuition, ethics, cultural background, legal considerations, and morality (Banai et al., 2014; Petrowsky et al., 2025; Tsay & Bazerman, 2009; Zarkada-Fraser & Fraser, 2001). In this context, moral beliefs play an important role because they shape how individuals assess the desirability and acceptability of behaviors, including tactics that involve ethically questionable practices, such as lying (Fulmer et al., 2009). Prior research has shown that moral beliefs are influenced by a variety of individual characteristics, including age, gender, locus of control, and personal preferences (Fritzsche & Oz, 2007; Glover et al., 1997; Roxas & Stoneback, 2004). However, individual characteristics alone cannot fully explain the complex variations of moral beliefs. Moral beliefs are also highly dependent on contextual elements, situational characteristics (Monson et al., 1982; Wyld & Jones, 1997), and the specific topic of the moral dilemma under consideration (i.e., the type of lie (Jung et al., 2025)). Thus, moral beliefs

are shaped by the circumstances in which judgments are made.

In addition to individual and situational factors, moral beliefs are also influenced by the social roles individuals hold (Ellemers & van den Bos, 2012). The literature suggests that social roles contribute to the development of distinct moral standards and influence how behavior is evaluated (Katz & Sandroni, 2019). One explanation for this phenomenon is provided by the concept of "professional morality" (Gibson, 2003). Professional morality refers to the moral perspectives that emerge through participation in the professional group and interaction with other members of a professional community (Freedman, 1978). Unlike formal ethical rules of conduct,[1] professional morality develops through practice, shared experiences, and exposure to norms of a particular profession (Shadnam & Lawrence, 2011; Nicolson, 2005).

Professional morality suggests that individuals exposed to different professional groups may develop distinct standards for evaluating the moral acceptability of certain behaviors. Consequently, experienced and inexperienced individuals may differ in their moral assessment of lying in contract negotiations. Prior research indeed supports this view, showing that members of different occupational groups differ in their assessments of ethically questionable business practices, such as lying (Banai et al., 2014; Franke et al., 1997; Wimbush et al., 1997).

Generally, moral standards have been studied and compared across different types of professions (Bobek et al., 2015; Nie & Li, 2021; Rubin & Dror, 1996; Self et al., 1993; Viens, 1995; Wildermuth et al., 2017), with particular attention given to legal professionals' morality. Studies have explored the moral beliefs of lawyers and judges (Loacker, 2023; Baez et al., 2020; Chow & Calvard, 2021; Radtke, 2008; Waldron, 2008; Nicolson, 2005; Fleming, 2002; Kessler, 1991; Wald, 1986; Teschner, 1970) and have highlighted how legal professional practice shapes moral standards. Similarly, research has shown that negotiation experience and repeated exposure to lies influence both the likelihood and moral acceptability of lying (Mell et al., 2020).

Taken together, this literature suggests that individuals occupying different social and professional roles develop distinct moral frameworks for evaluating lies in negotiations. Since judges, lawyers, and negotiators are exposed to different professional groups, they may also differ in their moral assessment of lies in B2B contract negotiations. The difference should also be evident when comparing these groups to students who lack any professional socialization experience.

From Moral Beliefs to Legal Expectations

While moral and legal expectations are conceptually distinct, they are unlikely to be independent. On the contrary, as the literature indicates, they are both forms of normative judgment and should therefore be related (Wilkinson-Ryan & Baron, 2009; Tyler, 2006; Dölling, 1985; Jung et al., 2026; Kriele, 1985; Riezler, 1946). Nevertheless, the process by which moral beliefs are translated into legal expectations remains to be explored.

Rest et al.'s (1999) four-component model of morality provides a useful framework for examining this relationship. According to this model, behavior is not the result of a single cognitive process but emerges from the interaction of four components. First, moral sensitivity involves interpreting the situation, evaluating how it would affect others, and recognizing that a moral problem exists when it does. Second, moral judgment requires evaluating which action would be

[1] We are not discussing professionalism and therefore our focus is not on professionals' codes of conduct (Collings-Hughes et al., 2022).

more morally justifiable. Third, moral motivation describes the degree of commitment to proceed with the moral action, prioritizing moral values over other values. Fourth, moral character involves persisting in a moral task to serve a moral goal despite the challenges (Rest et al., 1999). Thus, moral judgment describes the evaluation of whether a particular action is moral or immoral. At the same time, the subsequent components depend on how that judgment is interpreted and integrated into the decision-making process. This is important because a breakdown in any single component of the model may disconnect moral judgment from behavior, leading to unethical decision-making even when the individual possesses high-level moral reasoning skills (Rest et al., 1999).

Rest's framework suggests that moral judgment influences how individuals evaluate appropriate responses to a behavior, with legal consequences among those possible responses. Following Rest (1999), we operationalize moral judgment through respondents' moral beliefs about the acceptability of a lie. In the context of lies in B2B contract negotiations, an individual's moral judgment of a lie should therefore influence the evaluation of whether there should be a potential response from the legal order. Thus, individuals who judge a lie as morally acceptable should be more reluctant to expect legal consequences, i.e., that a right to rescind should be granted, than those who judge a lie as immoral.

Nevertheless, Rest's model does not state that moral judgment automatically should translate into legal expectations. Individuals may condemn behavior morally and still reach different conclusions regarding the appropriateness of legal intervention. As mentioned by Rest, understanding the moral components can lead to better understanding, but it is not an infallible predictor of perfect coordination between both elements (Rest et al., 1999). This distinction between moral beliefs and legal expectations is also consistent with Luhmann's (2004) systems theory, which holds that legal expectations are not direct reflections of moral judgment but are shaped by communication and interaction with the legal system. Consequently, moral beliefs should be related to legal expectations but without being identical, in the sense that both are related but distinct forms of normative evaluation. This reasoning is in line with previous research that links moral judgment to legal expectations (Wilkinson-Ryan & Baron, 2009; Weintraub, 1992) and with studies suggesting that legal reasoning is closely connected to the so-called "moral brain" (Schleim et al., 2011).

Professional Experience and Professional Socialization

While moral beliefs assess the ethical acceptability of a lie in the context of B2B contract negotiations, legal expectations reflect how individuals believe the legal system should respond to its use. The relationship among these elements may depend on various factors; for instance, Jung et al. (2025) found that the type of lie plays a key role, suggesting this relationship is unlikely to be identical across individuals. Rather, the translation of moral judgments into legal expectations may depend on contextual conditions, such as professional experiences and exposure to institutional environments.

Luhmann (2004) proposes that expectations about social systems develop through ongoing practices and interactions rather than exclusively normative considerations. Compared to moral beliefs, legal expectations may incorporate broader considerations regarding institutions, legal processes, and the practical implications of legal intervention (Wilkinson-Ryan & Baron, 2009).

Building on this perspective, professional socialization is likely to shape legal expectations. Through repeated interaction with specific professional groups, individuals acquire domain-specific expertise that influences how they evaluate, interpret, and expect legal consequences

(Luhmann, 2004). Individuals may therefore form shared legal expectations that reflect their exposure to institutional environments (professional contexts), even when their knowledge and understanding of the law differ. This aligns with the argument that experiential, social, cultural, moral, and educational insights influence expectations (Luhmann, 2004), as well as the idea that legal expectations are formed more deliberatively than moral beliefs.[2] For instance, research has shown that exposure to lies makes individuals generally more tolerant of them (Moran & Schweitzer, 2008), suggesting that exposure to a context where lying is habitual and tolerated may shape the tolerance individuals develop toward lies.

Professional experience, therefore, contributes not only to technical knowledge but also to the development of shared interpretative frameworks (Luhmann, 2004) through which individuals understand and evaluate the legal system's intervention. We conceptualize group membership as an empirical proxy for differences in professional socialization and expertise. Belonging to a professional group, therefore, implies sustained exposure to a particular institutional environment and shapes shared interpretative frameworks and expectations regarding legal consequences (Luhmann, 2004). From this perspective, professional socialization serves as a cognitive filter through which moral judgments are interpreted when expectations are formed.

Hypotheses Development

Moral Beliefs and Legal Expectations

As discussed above, moral beliefs and legal expectations represent distinct but related forms of normative judgment. Within the cost-benefit framework of negotiation (Lewicki, 1983), both can be understood as factors that shape the perceived costs of lying. Moral beliefs reflect an individual's evaluation of whether a behavior is moral or immoral. In contrast, legal expectations capture the normative judgment about whether legal consequences should be imposed for that behavior.

Rest's (1999) four-component model identifies moral judgment as the process through which individuals evaluate whether a behavior is right or wrong. This judgment is the basis for subsequent evaluations and responses to that behavior, including the formation of expectations. Although legal expectations constitute a different form of normative judgment, they are still shaped by moral judgment. Therefore, individuals who morally condemn a lie should be more likely to expect potential legal consequences than those who evaluate it as morally acceptable. In this sense, moral beliefs should be positively associated with legal expectations.

H1. Individuals who evaluate a lie as immoral are more likely to expect that a right to rescind a contract should be granted as a consequence of that lie.

[2] This distinction is emphasized primarily regarding the *Judiz* (feeling for how the law is) (Gröschner, 1987; Weimar, 1985). Hoche (1932) argues that the *Rechtsgefühl* (legal expectations) of judges is not more pronounced than that of laypeople. Riezler (1946), in contrast, believes that there are differences between "educated" and "uneducated" people regarding the *Rechtsgefühl* (legal expectations). Glöckner and Ebert (2011) explain how differences in legal intuitions can be explained by differences in legal knowledge. Christoph (2020) assumes that legally trained people can answer certain questions in a more differentiated manner.

Professional Experience and Legal Expectations

Legal expectations are shaped not only by moral beliefs but also by individual experiences. Individuals who participate in professional contexts acquire practical knowledge and develop shared interpretative frameworks regarding how the legal system operates and the appropriateness of legal interventions (Luhmann, 2004). Through such experience, they become familiar with both common business practices and the way the legal system typically intervenes.

Students generally lack comparable exposure to professional negotiation environments and legal disputes. Consequently, their evaluations are more likely to be based on abstract normative considerations than on practical experiences about how the legal system intervenes. Practitioners, by contrast, are repeatedly exposed to negotiation environments where lies commonly and successfully occur (Peters, 2007; Michelman, 1983; Carr, 1968), but legal consequences are not always pursued or imposed. These experiences may lead practitioners to adopt more permissible legal expectations than students.

H2. Less experienced individuals will have higher expectations of a right to rescind a contract compared to professionals.

Professional Experience as a Moderator

While moral beliefs evaluate the ethical acceptability of a lie in B2B contract negotiations, legal expectations reflect how individuals expect the legal system to respond to its use. The relationship between the two dimensions is therefore expected to vary by group membership and exposure to business practices. In particular, individuals with different forms of expertise (judges, lawyers, or negotiators) may differ in how they relate moral beliefs to legal expectations.

We argue that professional socialization influences the translation of moral beliefs into legal expectations by affecting how individuals perceive and interpret the legal system and business practices. So, through repeated exposure to professional practices, individuals acquire a more differentiated understanding of how the legal system works and how different lies are interpreted within the professional group, including shared criteria for forming expectations about whether lies should be legally condemned.

H3. Group membership moderates the relationship between moral beliefs and legal expectations.

Variability and Asymmetry between Moral Beliefs and Legal Expectations

Since the moral evaluation of behaviors may vary across professional groups (professional morality) and numerous personal factors, such as culture and individual characteristics (see above), we expect moral beliefs to vary significantly. On the contrary, people should have more similar and stable expectations about how the law should be, as legal expectations are less dependent on individual characteristics and apply to society as a whole (Rest et al., 1999) rather than in a personal context. Thus, expectations about how the law should be might also be influenced by how the legal system is or is perceived to be, which is a more specific, unified, and ordered reference. As a consequence, we expect to find differences in the variation of moral and legal expectations.

H4. Across all groups, moral beliefs exhibit greater variability than legal expectations.

The distinction between moral beliefs and legal expectations also suggests that they should not coincide perfectly.

Moreover, prior research has shown that individuals do not necessarily expect the legal order to condemn everything they disapprove of on moral grounds (Jung et al., 2025; Wylie et al., 2025; Sweeny, 2014). Accordingly, individuals are expected to apply stricter standards when evaluating the moral acceptability of lies than when assessing where legal consequences should follow. This distinction applies regardless of the professional subgroup and whether individuals possess any professional experience.

H5. Across all groups, individuals are more likely to morally condemn a lie than to expect the legal system should impose legal consequences for its use.

Research Design

The Siegen Study

Our data comes from the first version of the international Siegen Study, which includes more than 3,138 responses from judges, lawyers, negotiators, and students in 13 countries.[3] In this paper, we analyze only answers from Germany. Therefore, all participants are from the same legal jurisdiction (Germany), so any differences in their answers cannot be attributed to variations in the applicable law. A total of 893 Bachelor's and master's students in business law or business administration from the University of Siegen participated in the study. The other participants were 31 German lawyers, 87 negotiators, and 65 judges. Our self-collected data set offers an advantage over previous studies on negotiations, which have mainly been conducted with students (Buelens et al., 2008), thereby limiting their external validity and the applicability of their conclusions in the business context.[4] In this sense, our work overcomes one of the limitations of traditional research on lies in negotiations (Gaspar et al., 2022) and offers insights from people with professional and negotiation experience regarding their evaluation of tactics involving lies, while also exploring how their group membership affects their expectations.

We selected lawyers and judges as the primary professional groups in our study. Lawyers frequently participate in or advise on negotiations, combining legal expertise with practical exposure to business tactics. Judges, while not directly negotiating, observe the consequences of negotiation practices ex post in judicial proceedings and interpret the legal framework governing the use of lies. To better understand the role of professional socialization, we additionally included two comparison groups: students and negotiators. Students provide a benchmark group lacking professional experience, legal expertise, and substantial exposure to negotiation practice. Negotiators, in contrast, share extensive practical experience in business negotiations but do not constitute a single profession characterized by common education, credentialing processes, or professional institutions. Rather, they represent individuals from diverse professional backgrounds whose work regularly involves negotiation activities.

This design allows us to better examine the effects of professional socialization. By comparing the three professional groups (judges, lawyers, and negotiators) with the non-professional group (students), we can observe how direct negotiation experience, legal education, and judicial

[3] Participation was voluntary and did not involve any payment, reward, or compensation.

[4] Buelens' study shows that only 3% of empirical research on negotiations involves people with professional negotiating experience. Although this study dates to 2008, we did not find evidence to suggest that this number has changed significantly.

experience shape the formation of moral beliefs and legal expectations.

Table 1 Classification of groups according to legal knowledge and negotiation experience

	Negotiation experience	**No negotiation experience**
Legal knowledge	Lawyers	Judges
No legal knowledge	Negotiators	Students

We distributed the questionnaires at different times, depending on the groups' availability. Students received the questionnaires at the beginning of the lecture and could return them voluntarily once they were completed. Lawyers and judges were also contacted according to convenience sampling. However, they all received the same instructions and information: they would be part of a research project, their answers would not require any prior knowledge, and they would remain anonymous.[5] The questionnaire included nine scenarios describing B2B negotiations, ranging from lies about the contract's subject matter (e.g., a machine's performance data) to lies about alternative offers and product availability. Thus, the scenarios all involve intentionally lying about facts, but they vary in what negotiators lie about. In all scenarios, the negotiating partner relies on a misrepresentation, and the lie becomes a causal factor in the contract's conclusion. Hence, the requirements for the illegality of a lie under German law[6] are fulfilled (Jung, 2024). Furthermore, the study only covers explicit lies that qualify as so-called "black lies," meaning the liar uses them for their own advantage or to benefit their negotiating team and the principal (Levine & Schweitzer, 2014). To prevent distortion of the results and bias, the scenarios did not include words such as "lie" or "deceive". Each scenario was followed by two questions about the participants' moral beliefs and legal expectations, asking them to evaluate each scenario from the perspective of a third party not involved in the negotiations.[7]

The scenarios differ in their approach to lies, with many reflecting common negotiation tactics (Jung & Krebs, 2019). The following lies were described in the questionnaire:

Scenario 1 – Personal Preferences: One of the negotiating parties lies about their personal preferences, claiming to be a fan and a registered member of a soccer team club.

Scenario 2 – Product Availability – Seller: The manufacturer falsely claims it can produce only one more machine by a specified date. In fact, they have five machines in stock.

Scenario 3 – Alternative Offer – Seller: The manufacturer makes a false claim regarding an alternative purchase request from the potential buyer's competitor. In fact, no such request was made.

Scenario 4 – Alternative Offer – Buyer: The buyer lies about having a better offer for a machine of equal value. They state that they will buy the machine only if the seller accepts this alternative offer. In fact, the alternative offer is less attractive to the buyer because the machine will not be ready at a later date and will therefore not be of equal value.

Scenario 5 – Time Pressure: The buyer lies about time pressure to finish the negotiation (they claim they need to catch a flight, which, in fact, can be easily rescheduled).

[5] To account for potential social desirability biases, we kept respondents' identities anonymous. Additionally, as we point out in the discussion section, our results are not explained by this bias.
[6] An additional explanation of the illegality of lies and the analysis of these specific scenarios can be found in the work of Jung (2024).
[7] A copy of the questionnaire can be found in the annexes.

Scenario 6 – Internal Company Policies: The seller lies about internal company policies that do not allow them to change the terms of the contract. However, in fact, they can change them. They also lie about their company never agreeing to different clauses.

Scenario 7 – Subject Matter – Seller: The seller lies about the machine's performance.

Scenario 8 – Legal Situation – Illegality: The manufacturer rejects the buyer's requests for the technical specifications of a machine, claiming that they would not comply with safety standards. However, in fact, they would comply with legal safety requirements.

Scenario 9 – Reservation Price: The buyer lies to the seller about how much they are willing to pay for a machine.

At the very end of the questionnaire, participants were additionally asked whether they considered themselves successful negotiators, both privately and professionally (yes/no). We also asked them to describe their moral standards (low/average/high) and their gender.

Data and Measures

We explored our data using both descriptive and inferential statistics to analyze our main variables:

Legal expectations: We measure legal expectations by asking participants whether they think a right to rescind should be granted in response to the use of the lie. They could answer the question with "yes" (A right to rescind should be granted) or "no" (A right to rescind should not be granted). This question aims to capture the normative judgment of the respondents: how they feel the law should be (normative) and not how it actually is (descriptive).

Moral beliefs: The study directly assessed moral beliefs by asking participants whether the described lie was morally acceptable or unacceptable. We used a dichotomous variable for this measure, a methodological option used in other research works (Dickson, 2009; Eweje & Brunton, 2010; Wilkinson-Ryan & Baron, 2009). We recognize the distance of our methodological choice from classical studies that measure morality as a spectrum or at several levels (Lewicki, 1983; Lewicki & Robinson, 1998; Lewicki & Stark, 1996), as well as the limitations this might entail for assessing moral beliefs. However, since our primary objective is to compare moral beliefs with legal expectations, which are inherently dichotomous, we opted to measure moral beliefs dichotomously as well. By definition, a situation cannot be "partially legal" or exist on a graded scale of legality. For this reason, we asked participants to evaluate the situation as "moral" or "immoral," rather than rank it on a scale. This allows us to observe interactions, similarities, and differences more consistently.

Group membership: One of our independent variables was the participant's group. We use group membership (i.e., being exposed to professional socialization) as a proxy for differences in professional expertise and practice. We differentiate between professional subgroups, i.e., judges, lawyers, and negotiators, and inexperienced individuals, i.e., students.

Self-perception of being a successful negotiator: participants were asked whether they consider themselves successful negotiators, privately and professionally (yes/no).

Self-assessed moral standards: We also asked participants to rate their moral standards on a 3-point scale: low, average, or high.

Gender: Participants were asked to report their gender.

Analytical Strategy

We conduct two complementary sets of comparisons to isolate the effects of professional socialization while accounting for differences across professional roles. First, we compare students with the aggregate professional group, comprising judges, lawyers, and negotiators, to distinguish inexperienced individuals from experienced practitioners. Although negotiators do not constitute a profession in the sociological sense of judges or lawyers (Freidson, 2001; Abbott, 1988), they still experience sustained professional socialization through repeated exposure to negotiation environments. Consequently, they are included in the aggregate group of professionals for analytical purposes and comparison with the inexperienced group. Throughout the paper, we refer to the aggregate group of judges, lawyers, and negotiators as the professional group.

Second, we compare professional subgroups to evaluate nuanced differences across specific roles, while naturally excluding students, who lack relevant professional experience. This double approach allows us to analyze the variables within and between groups. For this reason, the analysis will always combine these two perspectives.

We examine whether the expected differences are statistically significant. By aggregating individual responses across multiple scenarios, we can observe moral and legal expectations independently of specific types of lies, thereby substantially increasing the size of our dataset. Since each participant was presented with 9 scenarios, the number of observations increased nearly 9-fold, though the final count is lower due to missing responses. The increase in the number of observations also amplified differences in group sizes, reflecting the challenges of recruiting practitioners compared to students. Nevertheless, all statistical analyses were selected and adapted to account for these characteristics of the data, thereby ensuring the validity of our results.

We use hypothesis testing to evaluate variance, dependence, and association among our variables, limiting our analysis to the appropriate tools for our sample.

Finally, to explain the relationship between legal expectations and moral beliefs, we propose two logistic models, one for each comparison (students – professional group and lawyers-judges-negotiators), with clustered errors to assess how moral beliefs may explain legal expectations. In logistic regression models, statistical power depends not only on sample size but also on the number of outcome events. In the present study, all outcome variables, as shown, occur with sufficient frequency across groups, providing sufficient events for estimating and displaying adequately powered models despite unequal sample sizes.

Research Findings

Answers to the Survey: Differences and Similarities

As Table 2 shows, across all groups, lies are evaluated as immoral in a higher proportion than participants expect a right to rescind should be granted for their use. This result also holds for most of the individual negotiation scenarios, except for scenario 7 (subject matter – seller: The seller lies about the performance of the machine), where a larger percentage of all the groups expected a right to rescind should be granted than the percentage of people who evaluated the lie as immoral.[8]

[8] The particular characteristics of each scenario and type of lie are discussed in depth in the work of Jung, 2024.

Table 2 Summary of the main variables of the study

Variable \ Group	Students (n=8037)	Professional group (n=1656)	Judges (n=585)	Lawyers (n=279)	Negotiators (n=792)
Immoral (Moral = 0)	47.04%	39.54%	50.77%	37.28%	31.92%
A right to rescind should be granted	36.05%	22.35%	24.62%	24.37%	19.92%
Female	50.06%	34.62%	42.19%	41.94%	26.44%
Self-perception of being a successful negotiator	60.5%	68.21%	48.39%	81.48%	78.57%
High moral standards	30.95%	39.01%	37.5%	38.71%	40.23%
Average moral standards	63.05%	58.24%	60.94%	61.29%	55.17%

Note. "Professional group" represents the aggregate of the three groups reported to the right (Judges, Lawyers, and Negotiators), enabling broad comparison with the inexperienced (Students).

We examined whether moral beliefs differ across groups. A Pearson's Chi-square test revealed an association between group membership and moral beliefs, when comparing students and the professional group ($\chi^2(1, N = 9{,}478) = 30.50$, $p < .001$). We further compared moral beliefs across groups with professional experience and found an association between group membership and moral beliefs ($\chi^2(2, N = 1{,}644) = 50.39$, $p < .001$).

Regarding legal expectations, we also find a significant association between group membership and legal expectations when comparing students and the professional group ($\chi^2(1, N = 9{,}461) = 113.46$, $p < .001$). However, no significant association was found between group membership and legal expectations across judges, lawyers, and negotiators ($\chi^2(2, N = 1{,}642) = 5.03$, $p = .081$). We did not find evidence of differences in the legal expectations among professional subgroups.

Table 3 Distribution of Moral Beliefs and Expectations Regarding the Right to Rescind Across Students and Professionals

	Students		Professional group	
Legal expectations \ Moral beliefs	**Moral**	**Immoral**	**Moral**	**Immoral**
A right to rescind should be granted	5%	31%	2%	21%
A right to rescind should not be granted	48%	16%	58%	19%

Note. The table displays two separate contingency tables (one per group) presented side by side. Percentages are calculated within each group and therefore sum to 100% within each block.

Table 4 Distribution of Moral Beliefs and Expectations Regarding the Right to Rescind Across Judges, Lawyers, and Negotiators

	Judges		Lawyers		Negotiators	
Moral beliefs / Legal expectations	Moral	Immoral	Moral	Immoral	Moral	Immoral
A right to rescind should be granted	1%	24%	1%	23%	2%	18%
A right to rescind should not be granted	48%	27%	61%	14%	66%	14%

Note. The table displays three separate contingency tables (one per group) presented side by side. Percentages are calculated within each group, and therefore sum to 100% within each block.

Table 3 and Table 4 display a significant association between moral beliefs and legal expectations across all groups. Pearson's chi-square tests confirmed that moral evaluations and legal expectations were significantly associated across all the groups: students, $\chi^2(1, N = 7{,}808) = 2777.10$, $p < .001$; professional group, $\chi^2(1, N = 1{,}640) = 550.07$, $p < .001$; lawyers, $\chi^2(1, N = 279) = 121.06$, $p < .001$; negotiators, $\chi^2(1, N = 776) = 288.45$, $p < .001$; and judges, $\chi^2(1, N = 585) = 148.11$, $p < .001$.

To explore whether participants hold stricter moral beliefs than legal expectations, we conducted McNemar tests within each group. The results revealed a systematic asymmetry between the two constructs (students McNemar $\chi^2(1, N = 7{,}808) = 282.22$, $p < .001$; the professional group, McNemar $\chi^2(1, N = 1{,}640) = 298.10$, $p < .001$; judges, McNemar $\chi^2(1, N = 585) = 48.92$, $p < .001$; lawyers, McNemar $\chi^2(1, N = 279) = 47.81$, $p < .001$; and negotiators, McNemar $\chi^2(1, N = 776) = 213.23$, $p < .001$). Thus, respondents were significantly more likely to evaluate a lie as immoral than to expect a right to rescind should be granted (H5).

Variation of Morality and Legal Expectations

Table 5 Variance of moral beliefs and legal expectations across students and professionals

Variable	Students	Professional group
Moral beliefs	0.2491	0.2391
Legal expectations	0.2305	0.1736

Table 6 Variance of the variables moral beliefs and legal expectations across judges, lawyers, and negotiators

Variable	Judges	Lawyers	Professional negotiators
Moral beliefs	0.2503	0.2346	0.2176
Legal expectations	0.1858	0.1849	0.1597

Table 5 and Table 6 present the variances of moral beliefs and legal expectations across all the groups. In all cases, the variance in moral beliefs exceeded that in legal expectations. To assess whether these differences are statistically significant, we conducted Levene's tests. The results

were significant for all the groups: students, $F(1, 15651) = 196.87$, $p < .001$; the professional group, $F(1, 3284) = 117.54$, $p < .001$; judges, $F(1, 1168) = 81.25$, $p < .001$; lawyers, $F(1, 556) = 11.07$, $p < .001$; and professional negotiators, $F(1, 1556) = 29.72$, $p < .001$.

Overall, moral beliefs exhibit greater variability than legal expectations, supporting H4. This result suggests that respondents differ more significantly in their moral evaluation of lies in negotiations than in their expectations regarding the legal consequences of a lie.

Model Estimation: the Relationship between Moral Beliefs and Legal Expectations

In this section, we present the logistic regression that explores how moral beliefs can explain legal expectations and the moderating role of group membership:

Table 7 Logistic Regression of Legal Expectations: Moral Beliefs and Student

Dependent variable: Legal expectations (1 = A right to rescind should be granted)					
Variable	**Coefficient**	**Std. Error**	**p-value**	**(AME)**	**p-value**
(Intercept)	-3.230	0.186	<.001***	—	—
Immoral (1=Yes)	3.758	0.116	<.001***	0.446	<.001***
Female (1= Yes)	0.332	0.060	<.001***	0.046	<.001***
Self-perception of being a successful negotiator	0.091	0.034	.007**	0.013	.007**
Self-assessed high moral standards	-0.666	0.106	<.001***	-0.093	<.001***
Self-assessed normal moral standards	-0.507	0.080	<.001***	-0.071	<.001***
Student (1=Yes)	1.167	0.122	<.001***	0.097	<.001***
Immoral x Student	-0.651	0.109	<.001***	—	—

Note. AME = Average Marginal Effects. Robust standard errors clustered at the respondent level. *p < .05, **p < .01, ***p < .001

Table 7 presents the results of the logistic regression analysis examining the relationship between moral beliefs and legal expectations, as well as the moderating role of group membership (student versus professional).

Consistent with our hypothesis H1, moral beliefs are strongly associated with legal expectations. The coefficient for *Immoral* is positive and significant ($\beta = 3.758$, $SE = 0.116$, $p < .001$), indicating that respondents who evaluate a lie as immoral are more likely to expect a right to rescind should be granted. The corresponding average marginal effect shows that this increase is almost 45 percentage points (AME = 0.446, $p < .001$). Regarding group membership, students are significantly more likely than the group of professionals to expect a right to rescind should be granted when a lie is evaluated as morally acceptable ($\beta = 1.167$, $SE = 0.122$, $p < .001$; AME = 0.097, $p < .001$).

The interaction between *Immoral* and *Student* is negative and statistically significant ($\beta = -0.651$, $SE = 0.109$, $p < .001$), indicating that the relationship between moral beliefs and legal expectations differs between students and the professional group. To facilitate interpretation, we calculated the predicted probabilities. Among the professional group, the probability of expecting legal consequences increases from 3% when a lie is evaluated as morally acceptable to 55% when it is judged immoral. Among students, this increase is from 8% to 67%. Thus, even when moral

condemnation increased the likelihood of expecting legal consequences across both groups, the increase was stronger among students than among professionals (H3).

Among the control variables, female respondents are more likely to expect a right to rescind should be granted (β = 0.332, SE = 0.060, p < .001). Self-perceived negotiation success was also positively associated with legal expectations (β = 0.091, SE = 0.034, p = .007; AME = 0.013, p = .007). Reporting high moral standards (β = -0.666, SE = 0.106, p < .001; AME = -0.093, p < .001) or average moral standards (β = -0.507, SE = 0.080, p < .001; AME = -0.071, p < .001) was associated with a lower likelihood of expecting legal consequences than reporting low moral standards.

Table 8 Logistic Regression of Legal Expectations: Moral Beliefs and sub-professional groups

Dependent variable: Legal expectations (1 = A right to rescind should be granted)					
Variable	**Coefficient**	**Std. Error**	**p-value**	**(AME)**	**p-value**
(Intercept)	-2.446	0.694	<.001***	—	—
Immoral (1=Yes)	4.239	0.018	<.001***	0.430	<.001***
Female (1= Yes)	-0.008	0.090	.933	-0.001	.933
Self-perception of being a successful negotiator	0.184	0.058	.001**	0.021	.001**
Self-assessed high moral standards	-1.397	0.929	.133	-0.157	.129
Self-assessed normal moral standards	-1.346	0.654	.040*	-0.151	.037*
Negotiator (1= Yes)	0.077	0.139	.577	-0.030	<.001***
Judge (1= Yes)	-0.129	0.071	.069	-0.064	<.001***
Immoral x Negotiator	-0.406	0.162	.012*	—	—
Immoral x Judge	-0.520	0.077	<.001***	—	—

Note. AME = Average Marginal Effects. Robust standard errors clustered at the respondent level. *p < .05, **p < .01, ***p < .001

Table 8 presents the results of our logistic regression analysis of the relationship between moral beliefs and legal expectations across sub-professional groups. The model distinguishes between judges and negotiators, using lawyers as the reference group.

Consistent with H1, moral beliefs are strongly associated with legal expectations. The coefficient for *Immoral* is positive and statistically significant (β = 4.239, SE = 0.018, p < .001), indicating that evaluating a lie as immoral increases the likelihood of expecting that a right to rescind should be granted (AME = 0.431, p < .001) (H1).

Regarding the sub-professional groups, neither negotiators (β = 0.077, SE = 0.139, p = .577) nor judges (β = -0.129, SE = 0.071, p = .069) differ significantly from lawyers in their baseline legal expectations. This result suggests that the three professional sub-groups do not differ significantly in their baseline legal expectations.

Nevertheless, the influence of moral beliefs varies across groups. Both interaction terms in the model are significant and negative, suggesting that the association between moral beliefs and legal expectations is weaker among judges (β = −0.520, SE = 0.077, p < .001) and negotiators (β = −0.406, SE = 0.162, p = .012) than among lawyers. The predicted probabilities further illustrate the moderating effect. Among lawyers, the probability of expecting legal consequences increases from 3% when a lie is considered moral to 60% when it is considered immoral. The corresponding increases are smaller among negotiators, from 3% to 51%, and among judges, from 2% to 45%.

This result supports our hypothesis that professional socialization moderates the relationship between moral beliefs and legal expectations (H3).

Regarding the control variables, the perception of being a good negotiator is positive and significantly associated with legal expectations ($\beta = 0.185$, $p = .001$; AME = 0.021, $p = .001$). Gender is not significant in the model of the professional groups. Self-assessed moral standards are negatively associated with expectations of legal consequences, though the effect is statistically significant only for normal moral standards.

General Discussion

Summary of the Results

Our study examined how group membership moderates the relationship between moral beliefs and legal expectations regarding lies in B2B contract negotiations.

First, lies are not uniformly condemned as immoral.[9] Furthermore, moral beliefs are generally stricter than legal expectations across all groups. Likewise, respondents were more likely to evaluate a lie as immoral than to expect a right to rescind the contract should be granted, even when that lie was considered immoral as well (H5). This pattern indicates that individuals apply stricter standards when expressing their moral beliefs than when indicating their legal expectations.

Second, we find significant differences in moral beliefs across groups, with negotiators and lawyers more likely to view lying as morally acceptable. In contrast, legal expectations are more similar and homogeneous across professional groups (H4), with students tending to expect more severe legal consequences (H2). This suggests that professional experience is associated with more permissive legal expectations, whereas students hold stricter normative judgments about how the legal system should respond to lies.

Third, our results show that moral beliefs and legal expectations are strongly associated but not identical. Evaluating a lie as moral is associated with a very low, almost zero, likelihood of expecting legal consequences. Conversely, when evaluating a lie as immoral, the likelihood of expecting legal consequences increases (H1), but it is not close to one. Thus, even when respondents evaluate a lie as immoral, there is still room for expecting that legal consequences should not be imposed. This asymmetry highlights that individuals distinguish between moral condemnation and their legal expectations.

Finally, our analysis provides evidence that group membership moderates the relationship between moral beliefs and legal expectations (H3). Specifically, the strength of the relationship between moral beliefs and legal expectations varies across groups. The moderating effect is driven by differences in how groups adjust their legal expectations when a lie is evaluated as immoral. While all groups are more likely to expect legal consequences when a lie is considered immoral, the increase is more pronounced among students than among professionals. Among the professional group, the likelihood of expecting legal consequences when a lie is evaluated as immoral increases more strongly among lawyers, less strongly among negotiators, and weakest

[9] In case there might be concerns regarding social desirability bias, this finding shows that responses were not driven by it. On the contrary, people did not significantly condemn lies, suggesting that these biases cannot explain our results. It is important to recall that we included several types of lies regarding a broad range of topics. There are differences in the types of lies when analyzed at the micro level. This topic is discussed in depth in Jung et al. (2025).

among judges. This suggests that specific professional experience shapes how individuals translate moral beliefs into expectations about how the law should be, rather than simply affecting the overall level of moral or legal evaluations.

Theoretical Implications

Our findings contribute to the literature on negotiation, moral decision-making, and professional socialization in four ways.

First, extending the work on the permissibility of lies in negotiations (Rashid, 2022; Banai et al., 2014; Fulmer et al., 2009; Olekalns & Smith, 2007, 2009; Shell, 1991), we introduce legal expectations as a distinct and theoretically relevant dimension in the evaluation of lies. Previous research has primarily focused on moral beliefs and the moral acceptability of lies in negotiations (Rashid, 2022; Sherwood, 2022; Volkema et al., 2010). Our findings show that individuals not only evaluate whether a lie is morally acceptable but also consider normative judgments regarding whether the legal system should impose consequences. Our study extends existing research beyond simple moral assessment by decoupling moral beliefs from legal expectations and emphasizing the critical role of legal factors in individuals' calculations of the costs of deception in negotiations (Lewicki, 1983).

Second, our findings contribute to Rest's (1999) four-component model by examining an underexplored stage that links moral judgment to expectations of legal consequences. Rest conceptualizes moral judgment as the evaluation through which individuals determine what is morally acceptable. However, the model provides limited insight into how moral judgment is translated into expectations regarding institutional responses. Our results show that moral beliefs and legal expectations are strongly related but still differ. We identify an asymmetry in their relationship. Thus, moral approval is a strong predictor of legal expectations, whereas moral disapproval is a weaker or more confusing predictor of support for legal intervention. This finding extends Rest's framework by showing that the translation of moral judgment into legal expectations is neither exact nor symmetrical.

Third, our results highlight the role of professional socialization in shaping the relationship between moral beliefs and legal expectations. Rest's model conceptualizes moral judgment as an individual cognitive process (Rest et al., 1999). By integrating insights from Luhmann's (2004) systems theory, we argue that moral judgments emerge in professional contexts through shared interpretative frameworks. Consistent with this argument, group membership moderates the relationship between moral beliefs and legal expectations. Thus, our results suggest that the relationship between moral beliefs and legal expectations is shaped not only by individual cognition, as proposed by Rest, but also by the individual's professional context.

Fourth, our findings show that moral beliefs and legal expectations differ not only in content but also in the degree of variability. Across all groups, moral beliefs vary more than legal expectations. This suggests that moral beliefs, corresponding to Rest's second component of the model, may depend more on the individual characteristics, while legal expectations are stabilized by professional socialization processes. At the same time, this finding supports Luhmann's argument that institutional systems contribute to the stabilization of expectations.

Practical Implications

Our results have clear practical implications for negotiators. They highlight a persistent gap

between legal regulation and legal expectations. Even in a legal system that formally prohibits the use of lies in negotiation contexts, our results show that individuals do not expect that legal consequences should be imposed. This suggests that negotiators may not systematically consider legal consequences when weighing the costs and benefits of lying.

The findings also suggest that tactics involving lies remain generally tolerated in negotiation environments, not only because of a permissive moral evaluation but also because individuals do not think the legal system should intervene in most cases. As a result, negotiators should anticipate the use of such tactics in contract negotiations. In this sense, even if negotiators personally refrain from lying, they should remain aware that others often employ such tactics and that they are often relatively accepted within professional contexts. This awareness is relevant not only to preparing and conducting negotiations but also to assessing how both parties may balance potential risks when deciding how much information to disclose.

Finally, the results may inform negotiation training programs. If decision-making shapes moral perceptions and expectations regarding lies in B2B contract negotiations, training programs need to address ethical decision-making more explicitly, particularly in business and legal education.

Limitations and Future Research

Our study analyses the moral and legal expectations of lawyers, judges, professional negotiators, and students. However, this design does not allow for comparison with other professional groups to determine whether their lack of negotiation experience and familiarity with legal rules leads to different legal expectations and moral beliefs. At the same time, the inclusion of other professional groups with diverse educational backgrounds and professional practices, yet who possess practical knowledge, understanding, and experience in business negotiations, would enable a more systematic empirical evaluation of legal expectations in this area.

Moreover, the association between legal expectations and legal knowledge has yet to be established as an explanatory factor that could enhance the understanding of the relationship between legal expectations and morality. Consequently, additional research should examine how the actual state of the law and the knowledge or perceived understanding of it might affect legal expectations.

Conclusion

This study examined how moral beliefs and legal expectations interact in the evaluation of lies in B2B contract negotiations and how this relationship is moderated by professional experience. Our findings support our five hypotheses and offer a more refined understanding of how individuals assess negotiation tactics involving lies.

We observed a general pattern across all groups: moral beliefs are stricter than legal expectations. Generally, people do not expect the law to condemn lies that are considered morally acceptable. Thus, evaluating a lie as moral increases the likelihood that people will not favor negative legal consequences. However, the converse is not true with the same strength, since labeling a lie as immoral increases the likelihood of legal consequences, while still leaving room for a more permissive approach. Therefore, we can infer that individuals differentiate between their moral beliefs and legal expectations and do not want their relatively high moral standards translated one-to-one into legislation.

At the same time, our results highlight the role of professional experience in shaping these

evaluations. While moral beliefs vary substantially across groups, legal expectations are more stable among professional groups. We find that group membership moderates the relationship between moral beliefs and legal expectations. Specifically, the relationship is stronger among students than among the professional group. Within the professional group, the association was strongest among lawyers and weakest among judges.

Thus, we show that evaluating lies in B2B contract negotiation cannot be fully understood by focusing solely on moral beliefs or an individual's cognitive mechanisms. Instead, it requires considering how individuals form legal expectations and how their professional context shapes their normative evaluations.

Author Note

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Appendix

Appendix A: Survey: Negotiation tactics between companies

1. The new potential business partner P is an ardent fan of the New York Yankees. Negotiator N, acting on behalf of your party, is a registered member of the Boston Red Sox and has hated the New York Yankees since early childhood. However, since he does not want to endanger the successful conclusion of the contract, he enthuses to the potential business partner about the New York Yankees. The contract is concluded.

Do you consider negotiator N's behavior to be morally acceptable or unacceptable?

morally acceptable ☐ unacceptable ☐

Should negotiator N's behavior entitle business partner P to rescind the contract?

no ☐ yes ☐

2. Potential customer C is unable to decide whether or not to buy the machine. Machine manufacturer M tells him that he is able to produce merely one further machine for the date requested. In reality, the machine manufacturer has five machines in stock. The contract is concluded.

Do you consider M's behavior to be morally acceptable or unacceptable?

morally acceptable ☐ unacceptable ☐

Should M's behavior entitle customer C to rescind the contract?

no ☐ yes ☐

3. Buyer B would like to purchase a machine from manufacturer M. Manufacturer M merely has one machine immediately available in stock. M explains to potential buyer B that, just today, competitor C also made a purchase request for this machine. In truth, the manufacturer has not received such a purchase request. The contract is concluded.

Do you consider M's behavior to be morally acceptable or unacceptable?

morally acceptable ☐ unacceptable ☐

Should M's behavior entitle buyer B to rescind the contract (if the contract is concluded)?

no ☐ yes ☐

4. Buyer B would like to purchase a machine from manufacturer M. Buyer B states to manufacturer M that he has received an offer to purchase a machine of equal value for $1,200,000. He would only be interested in the purchase if M was able to undercut or at least hold this price. It is indeed true that buyer B has received an offer to purchase a machine for $1,200,000. However, the machine would not be available until six months later, and it would also not be as well equipped, which is why B wants to purchase the machine from manufacturer M.

Do you consider B's behavior to be morally acceptable or unacceptable?

morally acceptable ☐ unacceptable ☐

Should B's behavior entitle manufacturer M to rescind the contract (if the contract is concluded)?

no ☐ yes ☐

5. Purchaser P has travelled to meet vendor V. They have almost reached an agreement. P makes his final offer and states to vendor V that he has to leave in 30 minutes to catch his flight. Pressed for time, vendor V accepts P's offer. P could have re-scheduled his flight and taken a later plane without problems.

Do you consider P's behavior to be morally acceptable or unacceptable?

morally acceptable ☐ unacceptable ☐

Should such behavior entitle vendor V to rescind the contract?

no ☐ yes ☐

6. Vendor V refuses to accept customer C's wishes regarding some contractual clauses, since his company has never agreed to such clauses. Vendor V further explains that he is not allowed to deviate from these standards. In truth, however, V's company has occasionally accepted such clauses, and V also possesses the required negotiating power.

Do you consider V's behavior to be morally acceptable or unacceptable?

morally acceptable ☐ unacceptable ☐

Should V's behavior entitle customer C to rescind the contract (if the contract is concluded)?

no ☐ yes ☐

7. Vendor V is asked for performance data of a machine. The data provided by vendor V can be achieved individually in test mode; in practice, the figures are roughly 20% worse. Vendor V and buyer B conclude a contract for the purchase of the machine.

Do you consider V's behavior to be morally acceptable or unacceptable?

morally acceptable ☐ unacceptable ☐

Should V's behavior entitle buyer B to rescind the contract?

no ☐ yes ☐

8. Manufacturer M and buyer B are negotiating the purchase of a machine. B has particular ideas regarding the production. Manufacturer M rejects one of B's requests stating that the machine would then not meet the required safety standards. This is not true. The required safety standards do not preclude B's production requests. M and B conclude a contract.

Do you consider M's behavior to be morally acceptable or unacceptable?

morally acceptable ☐ unacceptable ☐

Should M's behavior entitle buyer B to rescind the contract?

no ☐ yes ☐

9. Purchaser P and vendor V are negotiating the purchase of a machine. P's limit (i.e. the maximum price) is $700,000. Following lengthy negotiations, he has so far offered $630,000. The vendor has lowered the price to $670,000. P states to V that his final offer is $650,000. He cannot and must not offer a higher price. V, who does not want to lose the contract, accepts with a heavy heart.

Do you consider P's behavior to be morally acceptable or unacceptable?

morally acceptable ☐ unacceptable ☐

Should P's behavior entitle vendor V to rescind the contract?

no ☐ yes ☐

Questions regarding personal details:

1. Would you consider yourself to be a successful negotiator both privately and professionally?

yes ☐ no ☐

2. How would you describe your personal moral standards?

average ☐ high ☐ low ☐

3. Please state your gender

female ☐ male ☐

4. Please state your profession

lawyer ☐ judge ☐ professional negotiator ☐ student ☐