THE EFFECT OF FRIENDSHIP ON DECISIONS:  
FIELD STUDIES OF REAL ESTATE TRANSACTIONS

By

JENNIFER J. HALPERN

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The Effect of Friendship on Decisions:
Field Studies of Real Estate Transactions

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Jennifer J. Halpern
New York School of Industrial and Labor Relations
Cornell University
387c Ives Hall
Ithaca, NY 14853

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ABSTRACT

Some researchers have ignored the effect of relationships on the decision making process, although many business and political negotiations occur among individuals who know each other well and may be friends. A field study of real estate agents' transactions demonstrates that friendship affects the negotiation process and the outcome of some transaction decisions.

Friendship in the field has an effect on the use and on the dissemination of information; many individuals rely on business friendships both to provide a shortcut through the information available, and to lead them to useful additional information. However, the interviews also suggested that training could overcome the effects of friendship.
Economists tended to ignore the effect of social interaction (cf. Etzioni, 1988; Walzer, 1983); yet social interaction is the basis of transaction, and indeed, of society. Individuals' interactions (e.g., during a negotiation with friends or, alternatively, with strongly disliked opponents) may differ substantially from the behaviors that (economic) rational models would predict. However, these seemingly irrational behaviors may in fact be quite rational in their context—leading to a notion that there might be another, non-economics-based rationality, namely a "social" or "bonded" rationality (cf. Tetlock, 1991).

The interview-based study described below investigated the effect of friendship on the process and outcomes (other than selling price) of real estate transactions in Berkeley, California. I first describe the theoretical model on which my hypotheses are based; then I consider why real estate transactions offer good material for this research. An outline of the hypotheses used in this study is followed by description of the methods used. Results, discussion, and conclusions follow in order.

A Model of How Friendship May Exert Its Effects

Friends' responses may be driven by a cognitive "script" for dealing with friends during personal business transactions. A script is a cognitive structure, incorporating roles and the ordering of events, which helps us make inferences about a situation and guides our interaction strategies (Fiske & Taylor, 1984; Schank & Abelson, 1977). The existence of scripts can only be inferred. A "friendship script" contains the individual's characterizations
of a friend; his or her expectations of how a friend should act toward him or her; and a set of behavioral guidelines appropriate in the context of friendship.

The characteristics of friendship imply both a set of expectations and a set of behaviors (Halpern, 1991. See Figure 1). Generally, the characteristics of friendship include trustworthiness, similarity of values, and mutual self-disclosure. Close relationships tend to be characterized by harmony and equality (Boulding, 1973; Rubin, 1973). Friends anticipate future interaction; they attempt to maximize their partner's outcomes and maintain a sense of fairness so that the partner will want to interact again (Shapiro, 1975). Generally, friendship means more than rewards from a single interaction, so friends tend towards equality in outcomes (Morgan & Sawyer, 1967).

The expectations of friendship include assumptions that friends will behave in accordance with shared values (Lazarsfeld & Merton, 1954). There are general norms of trustworthiness and self-disclosure\(^1\). People expect their friends to want to (and to try to) reach agreement on most important topics with them; and for there to be a lack of conflict generally (Kelley, 1979; Seybolt & Murnighan, 1990). The knowledge that a friend offers us an item makes us as confident about the condition and quality of that item as we would be if someone we do not know offered it to us with all relevant information -- or with a

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1. Trust, an important element of friendship, is not isomorphic with friendship. These studies found that trust did not explain much of the variance in final prices when included in regressions with information exchange variables. See Halpern, 1991, for an extended discussion.
moneyback guarantee. More specific expectations for particular friends are based on past history, context, and so forth.

Behaviors between friends result from the combination of characteristics and expectations of friendship. For example, we expect trustworthy behavior from a friend and we do not cheat her (e.g., Krackhardt & Stern, 1988; Zand, 1972). In fact, friends may settle for suboptimal agreements to avoid contentious interaction; friends may also make concessions because of their concern for maintaining the relationship (Fry, Firestone & Williams, 1983).

In situations lacking specific directions as to how to think about a transaction, research suggests that the individual tends to use the outcome of Other (e.g., the Other's reward or punishment when this is known) as a reference point. Choice behavior is thus affected by considerations of how Other is doing. In a positive relationship, for example, there may be more concerns for equality; one wants a friend to do well, possibly even at the (strictly pecuniary) expense of oneself (cf. Loewenstein, Thompson, & Bazerman, 1989; Morgan & Sawyer, 1967). Moreover, friendship may affect individuals' judgments by making friends conscious of the existence of inequality and more likely to strive for equality. Excess profit-making is iniquitous: therefore, we are likely to demand less money (less profit) from a friend (I will not consider income effects here). Friends may observe that it is more painful for Other to get $10 less in a transaction than it is pleasurable for them to get $10 more; thus, we may choose not to withhold money from a friend because such an
arrangement will hurt her more than it will help us (cf. Kahneman & Tversky, 1979). Therefore, we are likely to want to pay more for an item than she may expect us to pay.

A distinction between the social friendship and the business friendship is useful here. Actual friendship, with its sharing of confidences as well as values and preferences, is of course possible between organization members. However, another type of "friendship" between organization members may exist. Organizational friendships may consist less of emotional ties and rely more on trust and responsibility. Because of the proximity- and task-induced long-term association between organization members, some of the voluntary aspects of friendship are removed. For example, individuals do not necessarily develop friendship relations because they have chosen each other from among a group of alternatives, but rather because of necessity. Moreover, it is difficult, in the business setting, to drop a friend because of growing incompatibility; one's work brings the two into contact whether they like it or not. In Fischer's study (1982), coworkers considered friends to be

3. On the other hand, this notion of trust characterizing the workplace is debatable. As Blau notes, trust is an element of social exchange that distinguishes it from ordinary economic exchange. "Social exchange is distinguished from strictly economic exchange by the unspecified obligations incurred in it and the trust required for and promoted by it" (1964:8). Similarly, Haas and Deseran (1981) observe that trust is less important in economic exchange than in social exchange because economic exchange can be more easily enforced through written contracts. The timing of economic exchange is more clearly specified and predictable, they argue, so trust is less pivotal in economic exchange than in social exchange. In social exchange, on the other hand, trust represents the functional equivalent to contractual control found in conventional economic exchanges.
those with whom one had sociable interaction and with whom one would discuss personal matters. Kurth's (1970) distinction between "friendship" and "friendly relations" may be relevant here. She noted that while one may have friendly interactions with coworkers, those ties are not friendships unless the individuals plan to continue to associate voluntarily with one another, even after the formal role relationship is dissolved.

The Residential Real Estate Market

Anticipating Effects of Relationships in the Field

The effects of friendship on supposedly economics-based decisions have been explored in some field settings. Baker (1984), for example, found that cliques among floor traders affect option price volatility. Friendship was not expected to have an effect in this setting, according to economists' models of the movement of stock prices. Krackhardt's (1990) finding that friendship relations were related to a union authorization outcome was not as surprising, but he was able to illustrate the process by which friendship exerted its effect.

Real estate is another rich domain in which to explore the effects of relationships on the negotiation process and on economic outcomes. Outsiders, at least, expect to find that friendship has an effect on real estate outcomes; after all, real estate agents are renowned for their sociability.
In addition to being perceived as professionals whose relationships are critical to their work, real estate agents were selected as a target of study because they are natural negotiators. They negotiate with a variety of individuals, ranging from people they never met before to people they consider to be social friends. Thus, their daily negotiating routine provides a natural experimental design, theoretically allowing investigation of differences in interactions between friends and between strangers.

Rationality and the Residential Real Estate Market

Residential real estate is an imperfect market, in which both buyers and sellers are relatively uninformed, and often uncertain about how to maneuver in the market. Moreover, the decision to buy or sell a house is peculiarly intense; it is, after all, the place one will be living, or the place one has lived, with all its attendant emotions. For these reasons among many others, buyers and sellers often turn to real estate agents to help them navigate the market.

The agents, for their part, are also faced with uncertainty. They must deal with the emotions of their client; but of more importance, they must sort through an enormous amount of information regarding the house in question, its location, (in California) whether it is in a "slide area" (an earthquake zone), neighbors, school, and legal matters. In addition, information held by the opposite agent which must be obtained or estimated to achieve a satisfactory transaction for the client (the buyer or the seller). Obtaining listings is a time-consuming task; as is deciding which of the many
houses that come on the market each week to visit. Moreover, it is often to the benefit of everyone concerned for the agents to be able to "move" the property quickly (to sell it as soon as possible).

Agents, therefore, need some shortcut for obtaining and providing information. The possibility I consider here, in keeping with the preceding studies, is that friendship between agents may lead to differences in the process and outcome of the transaction. I consider the role of trust and reputation between agents involved in a transaction in facilitating that transaction. As in the previous studies, I also explore whether trust has any effects independent of friendship.

Other forms of friendship may also have an impact on the transaction: for example, friendship between agents and their clients, and friendship between the clients themselves; friendships between agents and the lenders may also influence transaction outcomes. However, only relationships between agents are considered here.

Social friendships vary on several parameters from business friendships. The current study attempted to examine social friendships between agents, but it soon became clear that this was an impossible undertaking because of both the size of the sample and the nature of the market (described in more detail below). Thus, the use of the word "friendship" here refers to business as well as social friendship.

In many laboratory studies, it is clear that individuals "transact" directly with one another, while real estate agents represent the principals. The agents can mostly inform and facilitate the interaction. However, since the market is one in which the actual
sellers and buyers are often poorly informed, it is not unreasonable to assume that many potential buyers and sellers closely follow their agents’ recommendations -- in fact, they may put themselves almost entirely in their agents’ hands. Moreover, since the agents’ long-term interests are best served by fairly representing their clients (that is, the agents’ long-term interests reduce their incentive to cheat in the short-term) it is reasonable to assume that the agents bargain as if they have the clients’ interests at heart (cf. Williamson, 1985; also see Husted 1990). Moreover, as some agents reported, they do become personally involved with the client: they learn about the client’s children and pets, about their fears, worries, and problems, financial, marital, and otherwise. Several agents, in fact, commented that they sometimes encounter difficulties in becoming too emotionally involved with a client’s transaction. Like a therapist, these agents may find the emotional intensity of the interaction to be draining:

"Professional people will deal with business--but it is an emotional business. You become the client’s psychologist. It is a very emotional, tough business for each transaction." (35)¶

Other agents noted that over the course of the transaction, they become friends with the client; and in some cases, when the client lived nearby, they might actually develop and maintain real friendships that last for years.

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4. Numbers in parentheses refer to the respondent's ID.
Thus, in many cases, we may be able to assume that it is not only the client's objective, rational, financial interests that are being represented, but that in some cases, the agent may be acting with the client's emotional interests in mind as well.

The Berkeley, California Real Estate Market

Real estate markets operate very differently throughout the United States. Jargon, practices, laws, norms, and styles of interaction differ from state to state, and even from Board of Realtors to Board within a state. The description below is only of the North Berkeley market, and is by no means representative of all markets within the country. The North Berkeley market caters mostly to professionals, academics, lawyers, engineers, architects, small businesspeople, and so on, although some of the houses within the Board's jurisdiction appeal to other groups as well. Agents characterized the buyers and sellers as articulate and educated about house-buying, although first timer buyers here are as nervous as anywhere else.

The North Berkeley houses are located on residential, tree-lined streets; some streets are busier than others; some are extremely steep. North Berkeley homes tend to be older, and many require extensive foundation work, since the ground is seismologically active.

Confusingly, the agent for the buyer is called the "selling agent"; the agent for the seller is called the "listing agent". To keep things simple, I will refer to these as the agent for the buyer (AB) and agent for the seller (AS).
In California, both the AS and AB are paid by the seller. The commission, which is often between 5-6 percent of the selling price (in Berkeley, California), is usually divided 50/50 between the AS and the AB (however, the split can vary depending on circumstances). Each agent must further divide that commission between him/herself and the agency's broker (or manager of the real estate office with which the agent is affiliated: again 50% to each—unless another arrangement, such as a desk rental, has been worked out). Thus, for example, on a $250,000 house sale (not atypical in Berkeley, California), the AB and the AS will each earn $3125 in commission. A $10,000 change in the closing price, while substantial to the buyer, represents only an increase or decrease in actual received commission of $125 for each agent—a relatively small amount.

Thus, while both agents are motivated to get high closing prices to maximize their commissions, movement even in the ten thousand dollar range is not likely to overly inhibit or excite the agents. They may prefer to close smaller, more certain sales rather than to try only for a few larger, more risky ones.

Residential real estate is a relationship- and future-oriented business, centered in small, local markets, in which reputation matters. The importance of acquiring and maintaining a reputation as a fair and honest agent tends to limit extensive collusion between agents in increasing or decreasing the price unnecessarily on the one hand, or deceiving parties on the other. The AB wants to ensure that the house s/he helps the buyer acquire today will become his/her listing tomorrow—something that is unlikely to
happen if that AB has to cheat the current client by selling him or her a lemon. Thus, although a "bad deal" (in which the buyer or seller ends up dissatisfied in some way) still results in commissions for the AB and the AS, the potential cost in loss of repeat business and in harm to their reputation is so high that most agents are motivated to ensure the clients’ satisfaction. Unethical agents may lose business and are likely to incur lawsuits, possibly leading to the loss of their licenses; and so most agents prefer to have an ethical sale, even if they lose a few dollars on their commission as a result, than to run the risk of losing business or the license in the long run because of unethical practices.

It is also important to recognize that the tightness of the housing market may have an effect on the competitiveness of the agents. It would be optimal to run the study in both tight and loose markets, or across time as markets shift from buyer-oriented to seller-oriented, but given the time limitations of a dissertation project, I was not able to do so. Before this study began, while it was being considered by the Berkeley Board of Realtors, the housing market in Berkeley was "loose": there were a large number of houses available, but nothing was moving (SF Chronicle, July 23, 1990). Thus, agents were likely to be more cooperative than usual, and friendship was likely to

5. Many different terms are used for aspects of the real estate market. Some agents refer to the "tightness" of the market; some to the "speed" of the market; still others refer to whether it is a "seller's" or "buyer's" market. I am sure other terms exist. My mentor for this project, an experienced Berkeley agent and past president of the Board of Realtors, used "tightness"; and so will I.
have more of an effect than in a heavily competitive market where houses are moving quickly. In the "looser" market, friendship-related contacts might be used more frequently, for example, in order to obtain recommendations of which house to show from among the many of a specific type available. While the study was still under consideration, the Berkeley market picked up momentum; however, nearly all the transactions reported occurred during the previous, slower period.

There were, in 1990-1991, 580 agents in the Berkeley Multiple Listing Service (MLS) (licensed and registered agents are members). One hundred and ninety offices were listed in the MLS. The system is not computerized; Berkeley agents refer to thick manuals that are updated every week when seeking information about listings. In 1990, there were 514 sales, with a total value of $151,215,886.00. The average price of a single family residential unit was $294,194.00. From January 1, 1991 - June 30, 1991, there were 246 sales, with a total value of $76,096,008.00. The average price of a sale was $309,333.00.

Hypotheses

Many of the areas in which we might expect to find effects of friendship on real estate transactions are, naturally, constrained by laws against precisely such forms of collusion. For example, the requirement of full disclosure means that all agents are legally bound to disclose all available negative information about the property. Thus, we would not anticipate reported variance on this measure between friends' reports and
strangers’ reports. In addition, in a retrospective study such as this, recollection of exact amounts of information provided or received would be difficult.

On the other hand, the effects of friendship on bargaining processes can be examined. The hypotheses below reflect these considerations. In each case, the hypothesis given is to be compared to the situation in which agents do not know each other. It is likely that different levels of friendship will moderate the effects; whether the different levels of friendship will create a linear or discontinuous relationship with the dependent variables is an empirical question that cannot be addressed with the small sample available. Finally, the study also considers a host of other factors that could potentially affect the relationships indicated below. These factors include location, condition of the house, motivation of the buyer and seller, and the like. Other things equal, then:

RE1: There will be less bargaining between agents who are friends than between agents who have never met.

RE1a: Among agents who are friends, the first offer will be closer to the selling price than it will be among agents who do not know each other.

RE1b: Transactions where the listing price and buyer's initial offers are far apart are more likely to close when agents are friends than when they do not know each other.

RE1c: Agents who are friends will have fewer rounds of offers and counteroffers during their negotiation sessions.

RE1d: Agents who are friends will have fewer negotiations regarding the terms of sale after inspections.
RE1e: Time between the initial offer and the opening of escrow will be shorter for friends than for agents who do not know each other.

RE2: Agents who are friends get advance notice of houses and properties.

RE3: Agents who are friends will perceive the transaction process as smoother and easier than will strangers.

Participants

Thirty-two licensed real estate agents in Berkeley, California participated in interviews conducted by the researcher. Participating agents' cards were entered into a lottery for three prizes: a mini color television set (worth approximately $300.00); and gift certificates good at a popular cafe (Peet's, worth approximately $30 each). Such lotteries are common in the real estate industry.

Participants were recruited in a variety of ways. Permission to conduct the study was obtained from the Berkeley Board of Realtors. Then, managers of several agencies were contacted, and, with their permission, the researcher visited the office and made a brief, 5-minute presentation of the goals of the research project, and took the business cards of interested agents. (There was no way to determine whether the agents who did not volunteer their cards were systematically different from agents who did participate.) Agents were contacted within a week of their cards being collected, and interviews were set up generally within two to three days of the contact. In some cases, agents offered names of other individuals who might be interested in participating. These individuals
and independent agents (those not affiliated with a large office) were contacted by telephone, and the goals of the study explained.

In total, 38 agents were contacted; only 3 agents declined to participate outright. Two said they were too busy; the third would participate only if paid directly for the time. This agent refused to believe that others were participating for reasons such as personal interest, professional development, or the lottery. An additional two agents failed to show up at our scheduled meetings, and did not return my calls when I attempted to reschedule. In addition, one agent spent two hours with me, but was so garrulous, and her responses so unorganized that I obtained only half an interview's worth of data.

Most of those agents who did participate expressed their enjoyment of the interview spontaneously, and said they found it a different and interesting way to think about their work. Almost all expressed interest in the results of the study; none asked that their information be withheld. Two agents were very concerned that identities be well concealed; they were reassured that care would be taken to do so. They were offered the opportunity to preview the manuscript, but declined.

**Method**

Semi-structured interviews were conducted with each agent. Interviews lasted from about 45 minutes to 2 hours, generally running about one hour. Agents were asked
to think of two recent transactions (finished within the last six months or in progress) that met the following criteria:

1. The transactions concern a single-family home that was not church property, a condominium, a tenants-in-common (an increasingly popular but legally and financially complicated purchasing agreement), or probate property.

2. Two agents were involved (that is, the interviewee did not handle both sides of the transaction).

3. There was interaction between the two agents, whether positive or negative.

4. Finally, the agents did not have to report on a transaction that resulted in a sale: They were encouraged to report on transactions that fell out of escrow.

While agents were asked to think of two such recent transactions, most only had time to report on one transaction. Three agents reported second transactions; of these, only one was completely reported. Information from this transaction was deleted to avoid additional complexity in the study.

Interviews were scheduled at the agents' convenience, and held at their choice of office, home, cafe, or over lunch. Agents were asked a number of factual questions about their transaction(s), and the interviewer took notes in a prepared booklet. These questions fell into three main areas. Agents described themselves; described a "current transaction" (one that had closed in the last 6 months); and then described the other agent involved in the transaction. If there was time and interest on the part of the agent, the process was repeated for a second transaction.
Questions about the "current transaction" revolved around the transaction prior to the closing, and then about the closing itself. Agents also responded to subjective questions about the other participants (clients and other agent) in the transaction. Factual questions about the transaction included the target agent's role (buyers' or sellers' agent); the original listing price; the selling agent's personal estimate of the value of the house; the number of other offers; the time between the opening and closing of escrow; and so on. (The Project Booklet is available upon request from the author.) Participants were also asked if there were any unresolved issues at the time of closing, and whether the other agent or client attempted any last-minute manipulations to change the price.

Subjective questions concerned the agents' perceptions of the other agent, both clients, and the transaction itself. Respondents described the nature of their relationship with the other agent (how long had they known each other, how many transactions had they attempted, were these interactions positive or negative experiences, and did they interact socially). Agents reported whether the deal was more or less difficult than other transactions in their experience; whether their client (and the other agent's client) was more or less difficult than other clients in their experience; whether the clients were motivated to sell/buy; whether the other agent was communicative, business-like, cheerful, friendly, trustworthy, and so on. During the interview, agents were encouraged to describe more specifically the aspects of the other agent or transaction which influenced their judgments. They were also asked, at the end of the interview, for their
opinion of whether friendship matters in their field. The agents were extremely
forthcoming and articulate.

The specific questions used in the interviews were developed as a result of
intensive interviews with four experienced real estate agents (minimum experience: 12
years) and an attorney specializing in real estate law, none of whom were included in the
research sample. I followed an iterative process of interviewing the experienced agents
(my "informants"), creating questions, then presenting them to the "informants" for
criticism. Three additional agents of differing levels of experience (again, not included
in the current sample) participated in a pilot test of the materials, and their comments,
criticisms, and areas of difficulty were considered in the development of the final set of
questions.

At the close of each interview, participants were thanked, and asked if they had
any further questions about the interview or the use of the data. The researcher gave
them her card in case they should have questions at a later time. In addition, after all
the interviews were completed, personal, hand-written thank-you notes were mailed to all
participants, and the card enclosed. Prizes were delivered personally by the researcher
to the winners of the lottery.
Analysis

Interviews with the agents were transcribed from notes taken during the interview. Transcriptions were made as quickly as possible after the interview. In a few cases, respondents were contacted for follow-up questions and clarification.

Unfortunately, this study could not obtain a sufficiently large sample of agents who had recently dealt with another agent they would consider a friend. There simply are relatively few transactions conducted between friends. An agent with 25 years experience observed that he had worked with over 1500 agents from the Berkeley Board, and 600 more from Contra Costa (a neighboring area). He commented that "you might never do another transaction with a particular agent" (28). Another respondent with 25 years' experience had known another agent for 10 years, and in that time has had 5 transactions with her (31). Yet another informant had also known someone for 10 years, but had done only 2 deals with that agent (11). The agent who was one of the strongest advocates of the advantages of working with friends said that she had 10 close friends in her immediate business network, and about 30 in a more extended circle. In her 21 years as a Berkeley agent, she has had transactions with all of them, and she estimates that they comprise approximately 10 percent of all her transactions (39). Most agents do not have that high a percentage of interactions with friends because they do not seek them as aggressively as this agent does.

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6. Numbers in parentheses refer to the respondent ID.
Reasons for a lack of interaction with friends tend to be structural: the business is set up such that, under normal circumstances, an agent is dealing with whatever client walks through the door\(^7\). As one agent pointed out,

"it is not uncommon to network with people you know. For a prize listing, we may call our favorite agents in the area first. But mostly it's what comes in the door (40)."

The client walking in the door may or may not be interested in a property (or a buyer) provided by that agent's friend. As numerous agents pointed out, "We serve our clients", "we do what is best for the client".

"If I have a house, and someone in my network has a client, that's ok, but I wouldn't go through my Rolodex and look for a long shot. But if I have a buyer, I have to serve that person's needs, and wouldn't limit him or her to my network." (40)\(^8\)

While some agents may be aware of friend-agents' properties (or buyers) that might be appropriate for the client, the "decision rests with the clients".

Analyses were therefore made of differences in the data collected from agents who had known--and had had positive interactions with--the other agent involved in the transaction for at least five years, and from those who did not know the other agent prior

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7. Only one or two of the "old timers" mentioned that their business was mostly based on referrals. The agents working in agencies tended to refer to obtaining clients through "open houses" or walk-ins. Agents did not mention this, but many of them also advertise in the local newspapers and magazines.

8. As another agent commented on reading this draft, "'limiting'" is not the same thing as 'giving preference to' or 'showing first'".
to the transaction (or had known that agent for less than five years). This division was based on the fact that agents who had known each other more than five years were more likely to consider each other at least to be "business friends" than those who had had only one transaction, or a few chance meetings with the other agent.9 Five and one-half years was the median length of (positive) acquaintance: Fourteen respondents had known and liked the other agent for at least 5 years. The analysis was repeated to examine differences between respondents who knew the other agent for any length of time vs. those who had never met the other agent; there were no differences in the pattern of results for the two analyses. Therefore, I report only the analyses from the five-year acquaintance split.

Differences in agents' perceptions of the other agent, the transaction, and the other's client were tapped through t-tests on the scaled dependent variables. T-tests compared the means of the two groups on outcome variables such as client difficulty, transaction difficulty, and friendliness of the other agent. (See Tables 1-2.) Agents reported how frequently they expect to interact with the other agent (e.g., were they likely to phone the other agent for leads on the market, or for advice; were they likely to share war stories with that person; and so forth). These measures controlled for the frequency with which that agent tended to do a particular activity with anyone.

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9. Only one respondent reported an unpleasant transaction that transaction with an agent whom he had known, on pleasant terms, for more than five years.
The interview transcripts were then read carefully to determine what aspects of interaction the agents themselves raised. Forty issues were raised (see Table 4). Transcripts were reread in order to calculate the frequency with which each issue was raised. Table 4 lists these issues and their frequency; the listing is divided by individuals dealing with agents they knew and by agents who did not know the other agent with whom they were dealing.

Results

In all, thirty-five complete transactions were reported. Three of these fell out of escrow (did not close). An additional six second transactions were reported, but due to lack of time to complete the interviews, incomplete data was collected on four of these transactions. Fourteen agents in the sample knew the agent with whom they were working (had at least one prior transaction with that person). However, only one reported that she had worked on the reported transaction with someone she considered to be a personal as well as business friend. Thus, the analyses considered only "good business associates" of at least 5 years' duration (for a total of 9 agents).

Agents in the sample were licensed an average of 11.03 years (median 11). The agents who were members of an agency had worked for that agency on average 9.16 years (median 7). Among my informants, the average size of a transaction in the past year was $289,290 (median $300,000), and the average number of transactions in the past year was 13.16 (median 10.5). Most of the agents I interviewed were full-time agents.
Only some of the hypotheses presented above could be tested with the data collected. RE1b could not be tested because there were too few cases of unsuccessful transactions to permit a meaningful analysis of differences between acquaintances' and nonacquaintances' likelihood of closing. There were similarly too many "as is" sales and multiple offer situations to allow a meaningful analysis of differences between numbers of offers and counters (RE1c) and between distances from listing to selling price (RE1a). In many "as-is" sales, sellers tend to have a "take-it-or-leave-it" mind set, and there tend to be multiple offers as well. Therefore, counteroﬀers are often inappropriate, and the listing and selling prices tend to be identical.\textsuperscript{10} In the multiple offer situation, buyers' attempts at counters are frequently met by the sellers' dismissing the offer and taking the next person on the list.

An analysis was made of the non- "as is" sales, and these results seemed to contradict hypothesis RE1a. Friends showed a greater difference between the original listing price and final selling price than did strangers (friends, $20.26; strangers, $8.87, t = 1.70, 25 df, p = 0.10). However, these differences are not meaningful on a $250,000 sale.

\textsuperscript{10} It might be possible to examine differences in "adjustments" made to "as-is" sales by comparing creditbacks. However, there were no statistically significant differences in creditback amounts (t = 0.624, 10 df, p = 0.54: friends (n=4) = 3775; strangers (n = 8) = 2743.75). In addition, there are too many other factors that affect the situation to be able to determine whether the creditback was due to the agents' relationship or to the relative condition of the house versus others in the neighborhood, for example.
Only the hypotheses concerning the advance notice of sales to friends (RE2) and the perception of smoother transactions (RE3) were partially borne out in the interviews. "Advance notice" would be information given before the listing appears in the Multiple Listing Service (MLS) book. This type of advance notice seems to be given to friends, but mostly among the "old timers" (agents with more than 10 years' experience in the Berkeley market; for a more extensive discussion of the "old timers’ market" see below). "Pocket listings" are also given to friends in the old-timers' market, but these never appear in the MLS.

The sections below describe these results in more detail. First, I review agents' responses to the structured question, and then discuss the information they volunteered. I also consider two topics which the agents discussed in detail: the issue of trust and of impression management.

**Responses to the structured questions**

Many of the results of the t-tests performed on responses to the structured questions were expected (see Tables 1-3). Participants who knew the other agent with whom they were dealing were on average licensed for a longer time than were participants who did not know the other agent (acquaintances were licensed for 16.28 years; nonacquaintances, 6.94, t = 3.32, 18.7 df, p = 0.003). Acquaintances saw the other agent as significantly less difficult, more trustworthy, more cooperative, and more prompt than did nonacquaintances (difficult agent t = 1.89, 22.8 df, p = 0.07; trustworthy
agent $t = 2.22$, 30 df, $p = 0.03$; cooperative agent $t = 2.84$, 19.5 df, $p = 0.01$; promptness $t = 2.01$, 29 df, $p = 0.05$). (See Table 1.) These characteristics partially support RE3, as agents observed that these characteristics made transactions run more smoothly overall. RE1d was not supported: there was a slightly greater tendency for acquaintances than for nonacquaintances to bring up new issues after inspections were completed ($t = 2.04$, 26 df, $p = 0.05$) (Table 2).

It is remarkable that with the exception of the variables outlined above, none of the others in the table demonstrated statistically significant differences between acquaintances and nonacquaintances. Essentially, acquaintanceship and friendly relations had no easily measurable impact on transaction outcomes. Acquaintances showed a tendency to have fewer meetings, phone calls, and memos than strangers; acquaintances were seen as tending to provide more and better quality information. Acquaintances tend to be asked somewhat fewer questions about the market, particular transactions, or about leads.

**Responses to Open-Ended Questions**

Agents answered open-ended questions about the relative importance of business friendship, trust, reputation, and technical skill in their field. They also were encouraged to elaborate on the responses given to the structured questions above. Across all respondents, agents raised 40 issues (Table 4). Responses to the open-ended questions are reviewed below in relationship to the hypotheses discussed. The discussion below
focusses on the roles of friendship, and trust, and considers two other factors that were brought up during the interviews: impression management and the role of rules and regulations.

The Role of Friendship

Hypothesis RE3 suggested that transactions would be seen as smoother by acquaintances than by nonacquaintances. Support for this hypothesis was mixed. Fifteen (46 percent) of the agents felt that friendship or at least a friendly style had an important and positive role to play in transactions. Seven (25 percent) emphasized that friendship had its downside, that it tended to get in the way more than help. Ten (31 percent) mentioned both positive and negative aspects of friendships vis-a-vis transactions. Only two agents maintained that technical skills alone were sufficient, that interaction style had nothing to do with bringing about a closing. Some of the agents' comments follow.

The agents who were adamant that skills were more important than social relationships in real estate observed:

"Other problems are more important than interaction styles. Financing is a major part of deals, for example" you have to know how to deal with that. (12)

"If you are a true professional and want to see a house sold, friendship shouldn't matter. Transactions don't go easier because of it." (36)

These agents had 4 and 2.5 years of experience, respectively.

More experienced agents had different views:
"Friendship can facilitate transactions: If you know someone, you can predict how they will react, you know how to present your side; it can help you be more effective in shaping your own response." (42)

"...There's no need to be highly technically skilled. There's always someone there during a transaction who knows what they're doing -- the other agent, a broker. The people part is more important." (43)

"Interaction styles matter a lot, but not all the time." (22)

"Interaction styles matter, but not much we can do about them. Business friendship may hinder transactions if you focus on the friendship, rather than on the transaction, you may not try hard enough for the client. But a good agent can separate friendship and the transaction." (40)

"Friendship matters for return of calls and for the pleasantness of the transaction, but it doesn't matter for the close of escrow." (14)

"Friendship per se is irrelevant. It can make the transaction more comfortable, but I wouldn't work harder on a transaction just because it was with a friend...It is comfortable to deal with a known quantity. You know their strong points and weak points; it makes it better when you present an offer for example, because you know your audience. It can be more uncomfortable because of the possibility of locking horns. You are representing your client, and all that...stuff can get in the way of your relationship...It can get adversarial." (43)

"Skill is useful -- you can be successful in spite of yourself...But friendship can heighten cooperativeness and problem solving." (25)

Perhaps the most convincing statement came from an extremely experienced agent. Her lawyer would not like the fact that she was telling me this, she said, because he thinks it sounds too much like collusion. She then proceeded to explain to me that she and about 30 good business associates, all very experienced agents, would get together on a monthly basis to discuss transactions, houses, clients, other agents, and the market generally. They met every month at a different cafe. The group disbanded, she
said, because many people the "core" group did not want to invite began to show up at the meetings. Another experienced agent who had been involved in these meetings also referred to the group’s function: she noted that the old timers had been much more actively involved in using their business associate networks in the past than they were presently.

Whether or not they believe that friendship per se matters, and no matter how they apply its principles, it is clear that the overwhelming majority of agents recognize that they must work together with the other agent, and that to ignore the relationship imperils the transaction.

"Agents have to work together. Their duty is to bring together the transaction. Since clients may be easy or hard to work with, so agents must be close and ethical. If I don't represent the client well, or antagonize the other agents, I can damage the transaction." (32).

The Role of Trust

Individuals attributed greater trustworthiness to agents they had known for some time than to agents they had not known (trustworthy agent t = 2.22, 30 df, p = 0.03). This pattern was substantiated in the agents’ responses to the open-ended questions. Moreover, there was an experience-related split in the responses.

In general, the less experienced agents were more likely to consider trust to be prevalent, and to be something they could and should count on during their transactions. "Old timers" (those with more than 10 years’ experience) were more skeptical,
particularly as many of them acknowledged that some of their own negotiating strategies were manipulative. The old timers seemed to be willing to trust those in their established business friendship networks, but less willing to extend that trust to individuals they do not know.

An agent with only five years' experience noted:

"You have to count on the other's trustworthiness. In general, agents here are trustworthy. There are very few cases of dishonesty." (29)

An agent with 13 years of experience sees the trust situation differently:

"It's nice when they have a good reputation, but we are working for our clients. I never trust another agent's words -- appearances are not enough." (27)

An equally experienced agent similarly noted:

"Trust is not so important: You control the situation. What are you trusting the other person for? You are not relying on the other person. ... There were times I relied on the other person's word, to my disadvantage. There are countervailing forces to trust-- for example, brokers' demands and outside pressures. Trust should be tempered by the knowledge of human nature and that we are paid on commission." (25)

Still other experienced agents:

"I trust agents who are trustworthy--but I do like to get a prequalification anyway." (42, with 11 years' experience)

"I don't trust people on account of their reputations; only if I have known them for many years, and have had experience with them. I don't trust other agents' advice; instead, I go straight to my lawyer." (39, with 21 years' experience)

On the other hand, this same agent said about transactions within the friendship network:
"We end up helping each other. Trust is the important part. I only feel I can trust people I know this well. However, people trust me. If an inexperienced agent makes a slip with me, I won't use it against them." (39)

As this comment illustrates, the more experienced agents only trust individuals in their business friendship networks. For example, one agent had worked with the other agent he described over 10 years. His comment:

"She is trustworthy because what she says is what happens. Sometimes the clients can sabotage your work, but she's sufficiently guarded. I would take her word on the prequalification of a client, and not ask to see the paperwork." (31)

With another agent he did not know well, however, this same informant found:

"She would take bold steps forward without the client's okay, and ended up with a hollow shell of an agreement. (As a result) I would try to get everything in writing, with the clients' signatures." (31)

Being trusted was important to several agents:

"She trusted my judgment about the ability to close the deal, and accepted the contingency of loan approval. The other agent was relaxed about this because she trusted me. (And as a result) the extension on the inspection was not done in writing (for the same reason)." (18)

Early in their careers, agents recognize that you cannot "badmouth" other agents (30, 2 years' experience). However, in those cases where agents find they have to work with someone they don't trust, they find ways to warn their clients:

"If I have to (work with someone whose responsibility I don't trust) I would say we need to be especially careful because he may not be following the same disclosure laws as we do." (33)

"I will tell the seller, if you take offer A, you can make 10 grand more, but this agent will f____ you" (39).
Another agent put the same thought in more polite terms:

"If I had two offers, one from an agent I knew would be likely hard to work with; I would inform my client that though the other offer is lower, it is more likely to come to a completion." (32).

**Manipulation and Impression Management**

The emphasis the "old timers" put on trusting certain people and not trusting others is particularly ironic in the face of their own penchant for using manipulative strategies, both in the negotiation process and in terms of creating the climate in which the negotiations occur.

Many of the strategies the experienced agents mentioned that they use on the behalf of their clients seem to undermine the notion that anyone could trust them. However, these agents were quick to draw the line between being manipulative in the client's interest and being unethical--although they admitted that the line was sometimes a thin one. "Shopping offers" (some agents, aware of an incoming offer, might call other agents and ask if their buyers were interested in making a higher offer) and purposely misrepresenting the clients' financial position were definitely in the realm of unethical. One agent noted simply "You put yourself out of business if you are underhanded."

Another noted that antagonistic agents probably are doing both sides of a deal themselves (that is, they represent both the seller and the buyer; about 15% of all transactions in Berkeley are dual agency for one reason or another; of course, only a few of these are because the agent is unethical or hard to get along with). However,
misrepresenting the clients' emotional interest in the property, controlling the clients' demands, and demonstrating anger, impatience, and false cordiality are legitimate. These techniques seem to be understood, and trust can exist between two agents within the context and rules of the "game" of the transaction.

An agent with 14 years of experience commented straightforwardly,

"Sometimes you need to bluff. If your client really wants something the other party won't give, and doesn't want to lose the property...you can try to bluff. It's a thin line." (40)

An agent with 21 years' experience acknowledged a similar strategy.

"Manipulate as necessary. The hard thing is to remember what you say." (39).

Impression management is the "conscious or unconscious attempt to control images that are projected in real or imagined social interactions" (Schlenker, 1980:6). False cordiality seems to be a common form of impression management among real estate agents. Agents are both aware of performing such impression management, and of being recipients of it. While those who mentioned that they do "pretend" to be friendly have good reasons for it, the recipients do not always appreciate it. On the other hand, none of the recipients actually pointed to examples where the technique hindered the transaction. It is possible, in fact, that the artificiality may have actually helped by covering, or at least rendering ambiguous, negative or hostile feelings.
One agent described a nightmarish transaction, in which the other agent had been sloppy, and had done things without her client's approval; my informant said it was never clear what was going on during the transaction.

"I gave her every opportunity to save face....We put up with it because we wanted to close....I'll be friendly towards her in the future. For example, I'll use 'glad handing' at meetings. It can mend fences. It is important to get on with life. The sooner I affect a friendly ambiance, the better it is for our work relationship." (31, 25 years' experience)

In another case, an agent had worked with someone who tried to take advantage of his more "senior" position in the field by having my informant do parts of his job -- running errands, or paying for services that by law were his responsibility. He even attempted to have her sacrifice part of her commission while he refused to give up any of his. Shortly after the transaction closed, he saw my informant with an agent he regards as well-respected. In a classic case of "status by association", he has since changed his attitude toward the informant and become very friendly. The about-face is likely to serve my informant well, if they ever have an opportunity to work together in the future.

Laws and Behavior

Several old timers observed that transactions seemed to be more complex now than in the past. The number of rules and laws covering the process of the transaction has grown astronomically, they noted. One agent, from upstate New York, commented, "When I became an agent in 1984, I think it was a short, one evening class to get your license. Now it’s a series of six, two-hour classes". A Berkeley agent observed that you
have to make sure that your client understands the disclosure, but then you have to use
the Realtor's Handbook for the "appropriate" wording. (26)

There is both a national and a local code of ethics that must be adhered to.
However, temptation exists, and some agents do not resist. One agent observed that
commissions are like an academic's tenure -- bad for the final product. Another
commented:

"You are more likely to go astray if it is your only livelihood, since to make a
mortgage payment in a bad month you may be tempted to force a deal through,
even if it is not in the best interest of your client. You have to check your
values." (35)

Discussion

The analysis of the structured data was singularly unsuccessful in convincingly
demonstrating any effects of friendship or acquaintanceship on easily quantifiable
variables. The qualitative analysis, however, was much more successful. By talking with
the agents, I discovered a fact that the numbers alone would have never revealed: There
are two real estate agent groupings in Berkeley, divided by years of experience. The two
groups operate under distinctly different principles. The "old-timers" group (more than
10 years' experience in Berkeley) operates on the basis of business friendship. The new
agents, while stressing friendly relations and the importance of trust in one another,
instead operates more "by the book".
Below I review the results of the study, comparing quantitative and anecdotal findings. Then I discuss the two agent groups, suggesting that changes in socialization and training may account for the differences that appear.

**Differences in Bargaining**

Small samples with too many transactions in which the price of the house was not free to move (in multiple-offer and as-is sales) made it impossible to test real estate hypotheses 1a - 1c directly. Anecdotal evidence, however, suggests strong support for the essence of these hypotheses, at least among the old timers. First, in terms of reaching closings in general (and in terms of RE1b in particular), it is helpful to remember that "motivated (and qualified) buyers close escrows". If the buyer and seller are too far apart, the seller will not even consider the offer. If the buyer is not that far from what the seller might consider (the seller's "reservation price"), then the agent's role in shaping and packaging the buyer's offer becomes critical. By knowing the listing agents' style and expectations, the buyer's agent may be able to make acceptable an otherwise unpalatable offer. In addition, some agents pointed out that they might call the listing agent and ask "this is what my client has in mind." An ensuing "are you crazy?" will be likely to bring the offer or counter into the realm of acceptable quickly (or will lead to a rapid
withdrawal altogether) saving time, energy -- and potentially the transaction. A stranger might lose the transaction merely by improperly packaging the offer.\textsuperscript{11}

RE1d predicted that agents who know each other will have fewer negotiations after inspections are completed. The analysis suggested that the converse was the case -- acquaintances brought up more new issues after the inspections than did strangers. However, there was no difference in the number of major new issues raised, suggesting that the acquaintances may have been more comfortable than strangers in raising small issues--the type of thing that contributes to the clients' satisfaction but that does not affect the purchase price or other financial arrangements (e.g., the removal of shelves in a closet). Perhaps because they know how the other agent will react, acquaintances are more confident in raising these issues without fearing they will endanger the transaction. On the other hand, agents who do not know each other may restrain their clients from making these "satisfaction" requests, perhaps fearing a disruption in the flow of the transaction.

Further support for the idea that agents who know each other are more likely to accept offers than are agents who do not know each other, is also provided by a finding supporting RE1e: agents who were acquainted opened escrow sooner after the presentation of the first offer than did agents who did not know each other, t = 2.18

\textsuperscript{11} A reasonable conclusion would be that initial offers and asking prices should be closer when agents are friends than when they are strangers. I was unable to show this relationship with the current data, however.
(22.3 df), \( p = 0.03 \). This finding is particularly interesting since, by law, escrow must be opened within 24 hours of the acceptance of an offer. However, the time between the first presentation of an offer and its acceptance (marked by the opening of escrow) can vary substantially.

Real estate hypotheses 2 and 3 were supported only by old timers' anecdotes. One of the advantages of networking is advance knowledge. However, knowledge only becomes power when it can be used, and for most agents, the chance of matching a given listing with a client who comes "in the door" is very low. Even when the network yields referrals, these clients may still not automatically match the listings. On the other hand, having advance notice does make enough of a difference that agents do value their contacts.

Real estate hypothesis 3 is strongly supported by the anecdotal evidence: Old timers use the smoothness of a transaction with someone from the network as a yard stick with which to measure other transactions. Even fundamentally difficult or tricky transactions are seen as smoother when they are done with friends. Comments like "with someone else, we wouldn't have gotten this far" abound. Objectively, however, there was only weak support for Hypothesis 3. There were no statistically significant differences between acquaintances' and strangers' perceptions of difficulty of the overall transaction, or of the difficulty due to their own or the other agents' clients. The only difference was that respondents considered acquaintances to be less difficult to work with than strangers.
The anecdotal evidence supporting these hypotheses comes almost entirely from the old-timers. Less experienced agents' comments did not reflect the old-timers' interest in or concerns for business friendship. Instead, the newer, less experienced agents were concerned with maintaining friendly relations and obtaining accurate information. Below, I discuss the operation of the two groups.

Old timers. Old timers mostly interact with one another by chance -- as with all other agents, who the "other agent" will be is determined to a great extent by the client who walks in the door (there are some exceptions of "pocket listings" that particular individuals may give only to people they know). However, the characteristics of the old timers are very different from that of the less experienced, newer agents. In the old-timer's group, for example, real friendships as well as business friendships come into play, and agents learn to cooperate and compete simultaneously with close friends -- and to keep the business transactions from harming their relationships.

Contact between friends and networked business associates in this group provides some short cuts for providing and obtaining information that could streamline the transaction process. For example, such contact increases awareness of the availability of particularly desirable properties or buyers. This awareness, in turn, is likely to make the search process faster in some transactions, although such acceleration was not observed in the current study.
In this old timer's group, different behaviors manifest themselves than among the newer agents. For example, old timers reported that contracts may be drawn tighter, with fewer contingencies included in a multiple-offer situation, so that clients may be better controlled from the outset (often guaranteeing a sale). Old timers also noted that they may walk away from a property if someone else they know is representing a client who really wants or needs that property; the thirst for the chase is constrained. In fact, among themselves it seems that the old timers have learned to balance competition and cooperation with friends, perhaps by having experienced that there really is "enough business to go around".

There were too few transactions in this study to permit an examination of the impressions garnered from the interviews with the old-timers. Moreover, a study designed to investigate the interactions in this market in more depth would be frowned upon, as the line separating "consideration for a friend while considering the client’s best interests" and collusion is a thin one indeed. From my preliminary observations of this group, however, it seems that these agents acknowledge differences between the letter and the spirit of the law: most (although probably not all) of the old timers obey the spirit of antitrust rulings, in that they are neither setting prices nor confining the market to particular individuals. Reputations are precious and fragile; and these agents are highly visible, both in their own circles and in the broader market.
**The newer agents.** In the larger group of newer, less experienced real estate agents, trust, friendship and business friendship per se do not seem to play a substantial role. Instead, "friendly relations" dominate.

It appears that among most Berkeley agents, "trust" is a concept honored more in the breach than in the observance. Almost all the agents seem to believe that trust is important, and that the agents in Berkeley are trustworthy. However, the interviews suggest that almost no one (except the old-timers, who trust one another, but almost no one else, see above) actually operates on the assumption that they can trust the other person. In fact, this relationship between the concept of trusting others and the behavior of not trusting others resembles the experimental outcomes described in the previous chapters. There, I observed that individuals think that friends act differently than strangers do--but in reality, there are no differences between friends' and strangers' acts. Among real estate agents, there seems to be an image of the trusted agent -- but almost no one is treated in accordance with that image. By the operationalization provided in the Introduction to this paper, therefore, where there is no trust, there is no friendship.

While transactions with friends per se or business friends is not the norm for real estate agents, there does seem to be a heavy reliance on what Kurth (1970) has referred to as "friendly relations". Agents regard interaction styles as important to the outcome of a transaction. Only less-experienced agents seem to consider technical skills to be sufficient in themselves. Most agents I spoke with seem to at least affect, if not actually assume, a cheerful, friendly disposition. "Transactions go well when the agents are open,
compromising, and willing to share information and to be flexible." (36) Once the clients have decided to use agents, the agents serve those clients best by maintaining a comfortable working relationship with one another. Just as the senior agents indicated that it is easiest to trust those individuals they consider to be business friends, all agents seem to prefer a professional milieu, and, in most cases, a nonhostile, nonadversarial situation in which the cooperativeness, flexibility, and communicativeness of the agents resembles "friendly relations".

Interestingly, however, the importance of actual (rather than simulated) business friendship and its associated networks seem to be well understood by at least some less experienced agents. As the old timer who reported the monthly meetings pointed out, the group was disbanded because too many people not selected by the core were beginning to show up at the meetings. It is revealing that the group disbanded because of its popularity, rather than because complaints had been lodged against it.

Possible causes of differences in emphasis between the two groups. The differences between the two groups run deep: the "friendship" that is central to the old timers becomes "friendly relations" in the new agents group. For the less experienced agents, the existence of friendly interaction styles could be thought of as a "hygiene factor", to borrow Herzberg's (1966) well-worn phrase. While friendliness does not guarantee the closing or the customer's satisfaction, lack of friendliness (and particularly the existence of non-"friendly" behaviors) can interfere with the transaction.
This crucial difference may be attributable to changes in the law and in the associated norms of the market over time. The legal system governing transactions is becoming increasingly complex. There are more and more involved laws regarding disclosure, licensing of agents, need for inspections, rules covering mortgage lenders, and protection from increased litigation than ever before. The market itself is more complicated than in the past, because there is an ever-larger volume of houses being bought and sold by people with more sophisticated knowledge of the market and of options for financing. Perhaps more than ever before, the housing market responds quickly to the general economic outlook of the country as a whole, adding yet another level of complexity to the picture.

The increased complexity of the market has been met by increased training and emphasis on technical and legal aspects. Agents are taught to avoid the appearance of doing something wrong, and may therefore shy away from the potential advantages of dealing with business friends, holding everyone at "arm's length", and considering their own actions in terms of what is in the client's best interest. No longer can the "Welcome Wagon" hostess become a real estate giant based on her friendliness, knowledge of the area, and knowledge of what her clients want.12

Many of today's agents are trained as technicians. As a result, suggest the old timers (as well as some of the less experienced agents), many of these technicians are

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12. This is the real-life story of Vivian King of Ithaca, New York.
missing the point of why an agent is hired in the first place. As one agent pointed out, "Transactions are fine, they usually go through" (43) assuming that the client is prequalified and the condition of the house is fully disclosed. Many buyers and sellers do attempt to represent themselves, and often they are successful, saving themselves thousands of dollars in the process. More often than not, however, the do-it-yourselfers find the process to be frustrating, complicated, and certainly time consuming. Thus, the agents' main role is as a facilitator. "Clients hire me to be angry and to worry so they can get on with their lives." (24)

Once an agent is retained, then, his or her technical skills are only important insofar as they expedite a process that is likely to come to a successful conclusion of its own accord.

Technical skills are usually financing-related; these are properly the domain of the banks and mortgage lenders involved. More important than understanding all conceivable financing options, however, is that agents must not interfere with the transaction process. They are not obligated to develop financing packages: they are obligated to facilitate the transaction as a whole as much as possible: to ensure the closing, and to ensure the client's satisfaction. It is here that the relationship issues become pivotal. "If agents don't get along, they may bicker, and this may get in the way of closing escrow." (33) Similarly, other problems in the agents' relationships can get in the way of escrow, and the failure of escrow would be the greatest disservice of all to the clients. While one agent pointed out that "complications are often due to clients', not
agents,’ personalities” (20), it is the agents’ charge to overcome these problems, to "assess and disseminate information in a palatable manner" (20).

As the old timers pointed out so clearly, business friendship helps ensure palatability.

Conclusions

There were almost no effects of friendship on pricing, or on any of the quantifiable characteristics of the transaction: number of issues opened or reopened; numbers of inspections; problems uncovered after inspection; and so on. There was a marginal effect on the length of time to the opening of escrow, and friends tended to bring up more new issues after inspections were completed.

However, the most interesting result is the lack of differences in how friends and strangers rated the other agent. While friends were seen as more trustworthy, less difficult overall, more cooperative and prompt than were strangers, there were no other measurable differences in agents’ perceptions of their acquaintances and of their partners they did not know. I did not expect to find any effect of friendship on housing price, but the t-tests showed that friends’ prices moved further downward than did the strangers’ prices. Moreover, acquaintances opened escrow (accepted offers) faster than did strangers.
The study of real estate agents found intimations, but not proof, of scripted behavior towards friends among the old timers. Almost all of these agents pointed to specific differences in how they would treat friends and agents they did not know. They named behaviors as varied as trusting that the other agent's buyer was prequalified for a loan, to "giving up the chase", or actively seeking (or providing) listings or clients. It was not possible to obtain a large enough sample of these behaviors in order to examine their frequency and variance, however, so no conclusions can be drawn.

Among the newer agents, I found no clear evidence of scripted behavior per se. However, the use of "friendly relations" as a standard operating procedure was very clear. Most agents seemed to overlook the use of impression management techniques designed to cover up hostile feelings; many of them employed these same techniques to achieve exactly that goal with other people. Perhaps their expectation of "friendly" behavior and their motivation to keep the transaction "amicable" were so strong that they intentionally or unintentionally overlooked the meaning of these techniques. Or perhaps agents have grown so accustomed to the existence of these techniques, impression management is expected. Several respondents did mention, however, that "superficial friendliness is not helpful".

The lack of a demonstration of substantive effects of friendship, acquaintanceship, or "friendly relations" on real estate outcomes could be considered an artifact of the data. There is a small sample, and it is almost impossible to control for the many factors other than relationships that also may have an impact on transaction outcomes on even a
much larger sample. However, the importance of the business friendship to the old timers is clear, as captured in their anecdotes. Conceivably, a study could be designed that would measure flow of information among the members of the network and examine how useful information from different sources proved to be in facilitating transactions. The catch is that participants would be subject to charges of "collusion".

On the other hand, the newer agents would have no such worries (but also would not participate in such a study, because they have to resist all "appearances" of improper behavior). If the current study had obtained a perfect sample, no effects would be seen because friendly relations are basic to the business, and only deviation from the norm is likely to be noted. Among the newer agents, friendly relations do not seem to serve as conduits for information flow, although certain "nonfriendly"-seeming behaviors may interfere with information flow. Perhaps more importantly, although less scientifically, even a perfect selection of agents and transactions might not demonstrate an effect because friendliness exerts itself too far from the transactions' outcomes. As one inexperienced but insightful agent put it, "the relationship affects my enjoyment of the work...If I'm having fun, and they're having fun, then it's fun all around." (30)

Other research (Halpern, 1991) suggests that while we may expect friends to act differently from strangers, and in fact may perceive friends' behaviors to be different from those of strangers, there may not be substantive differences between these behaviors in the bargaining context. Similarly, in the field study, the available evidence suggests that while agents have an ideal image of the trustworthy agent, and rate most of
their negotiating partners as trustworthy, they do not seem to treat these other agents as if they were deserving of trust. (Not surprisingly, in some cases, the non-trusting treatment may actually be well deserved. Yet the agents still are reluctant to rate their partners as not deserving of trust.)

Overall, the study of real estate agents indicated that the effect of business friendship is difficult to pin down. Very few variables demonstrated statistically significant differences between the groups, and those that show significance are not convincing by themselves. Of much greater theoretical interest are the anecdotal comments, which reveal the patterns discussed above: the emphasis on business friendships by the old-timers, and the absence of such emphasis by those agents trained under the new laws.

Reading between the lines of the agents' comments, we realize that business friendship seems to provide a macro version of the cognitive effects revealed in the two previous studies. When dealing with a friend on a personal transaction level, individuals' "friendship scripts" guide the understanding and use of information that is provided. Business friendships are larger scale instantiations of these scripts: Not only do individuals respond differentially to information provided by friends, but they also directly alter their behaviors when a business friend provides information (e.g., real estate agents are more likely to believe that a client is prequalified, and less likely to request to see the paperwork). They also alter their behaviors toward another person
when that person is a business friend (for example, they will provide advance notice of listings). Moreover, these behaviors are anticipated and volunteered readily.

Another important lesson emerged from the real estate study: The effects of personal and business friendship can be easily submerged by training. The major difference between most of the individuals who value friendship’s role and those who do not is their number of years of experience, and therefore their training. The old timers were brought up in a more social market; the newer agents are responding to the presentation of massive legal and technical requirements during the formative stages of their professional socialization (cf. Van Maanen, 1975). Reliance on friendship is a natural way of sorting through information and reducing uncertainty (cf. Clausen, 1983); on the other hand, it can be easily supplanted by inculcation with rules and regulations.

In conclusion, then, business friendship is losing ground as the critical center of the real estate business, and friendly relations seems to be taking its place. The complex laws and regulations are beginning to uproot the importance of interpersonal interactions, both between agents, and between agents and clients. While my data does not show this conclusively, the new emphasis on friendly relations rather than on the "real thing" (friendship per se) may be the harbinger of more technical, objectively "rational" real estate practices to come. Computerized listings are already common in other parts of the country, limiting the role of business contacts on one parameter.

If the goal is the most efficient placement of the most people in houses that satisfy most of their needs, this evolution is welcome. For such a purpose, I highly
recommend the computerized matching system that is being developed in Israel for housing Russian immigrants. If, on the other hand, the goal is to find homes that people will love, a different system is called for. Computers do not recognize that people don't always know what they want, but many real estate agents do. Agents can understand that a seller may sacrifice some profit in order to sell to a family they like, or that a buyer may sacrifice space for a view that she had never seen before.

In the meantime, agents are still here. Many of them value friendly relations more than business friendship, and many succeed in either ignoring or overcoming even the potentially beneficial effects of knowing other agents. However, real estate agents recognize that they still are in a "people business" where interpersonal relations do matter, at least indirectly. If friendship doesn't exactly grease the wheels of the real estate business, friendly relations allows those relationships to seem smooth, and to allow these agents "(to help make) someone's dreams come true".
References


<table>
<thead>
<tr>
<th>CHARACTERISTICS</th>
<th>EXPECTATIONS</th>
<th>BEHAVIORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Similarity/Shared Values</td>
<td>agreement, little conflict</td>
<td>coordination, speedy agreement, equality as distribution rule, little conflict</td>
</tr>
<tr>
<td></td>
<td>predictable behavior</td>
<td></td>
</tr>
<tr>
<td>Openness/Trust</td>
<td>self-disclosure, trust</td>
<td>more negative information provided; convey appropriate information; avoid abuse of others</td>
</tr>
<tr>
<td>Liking</td>
<td>look out for other (Other's interests at heart); reciprocate consideration</td>
<td>less positive information requested (positive information assumed)</td>
</tr>
<tr>
<td>Long-term</td>
<td>future interaction</td>
<td>less negative behavior; more concessions; maximize partner's rewards to maintain interaction; reciprocation of benefits across time</td>
</tr>
<tr>
<td>Voluntary</td>
<td>desire to continue relationship</td>
<td>no light breaking of relationship</td>
</tr>
</tbody>
</table>
### TABLE 1

Agent's Evaluation of Acquaintances and Strangers: Responses to Structured Questions

**Other Agents' Characteristics**

How often would you:

<table>
<thead>
<tr>
<th>Acquaintance(n)</th>
<th>Stranger(n)</th>
<th>t(df)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ask this person for information about the market</td>
<td>1.75(4)</td>
<td>1.88(9)</td>
</tr>
<tr>
<td>Ask this person advice about particular transactions</td>
<td>1.00(2)</td>
<td>2.00(5)</td>
</tr>
<tr>
<td>Ask this person for leads or inquiries</td>
<td>1.66(3)</td>
<td>2.33(6)</td>
</tr>
<tr>
<td>Have social meetings with this person</td>
<td>2.33(3)</td>
<td>2.42(7)</td>
</tr>
<tr>
<td>Accompany this person to professional meetings</td>
<td>2.00(3)</td>
<td>2.00(5)</td>
</tr>
<tr>
<td>Share &quot;war stories&quot; with this person</td>
<td>2.00(3)</td>
<td>1.75(4)</td>
</tr>
<tr>
<td>How effective is this person in solving problems</td>
<td>9.35(14)</td>
<td>8.38(18)</td>
</tr>
<tr>
<td>How trustworthy is this person</td>
<td>11.21(14)</td>
<td>9.16(18)</td>
</tr>
<tr>
<td>How cooperative is this person</td>
<td>11.53(13)</td>
<td>9.22(18)</td>
</tr>
<tr>
<td>How would you rate this person's reputation</td>
<td>10.75(8)</td>
<td>8.33(6)</td>
</tr>
</tbody>
</table>

* "Acquaintance" is an agent the respondent has known at least 5 years, has had a positive relationship and with whom the agent has had at least 1 transaction.
RESPONSES TO STRUCTURED QUESTIONS:
Other Agents' Characteristics, cont'd.

<table>
<thead>
<tr>
<th>Acquaintance (n)</th>
<th>Stranger (n)</th>
<th>t(df)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did this person provide sufficient information</td>
<td>9.50(10)</td>
<td>8.66(15)</td>
</tr>
<tr>
<td>How would you rate the quality of information provided</td>
<td>10.40(10)</td>
<td>9.50(14)</td>
</tr>
<tr>
<td>*Relative number of face-to-face meetings</td>
<td>2.00(4)</td>
<td>1.81(11)</td>
</tr>
<tr>
<td>Relative number of phone calls</td>
<td>2.00(8)</td>
<td>2.26(15)</td>
</tr>
<tr>
<td>Relative number of memos</td>
<td>1.50(2)</td>
<td>2.00(4)</td>
</tr>
<tr>
<td>Relative promptness of returning phone calls</td>
<td>3.00(13)</td>
<td>2.66(18)</td>
</tr>
<tr>
<td>Relative cheerfulness</td>
<td>3.00(13)</td>
<td>2.68(16)</td>
</tr>
<tr>
<td>Relative formality of interaction style</td>
<td>2.38(13)</td>
<td>2.25(16)</td>
</tr>
<tr>
<td>Relative informality of interaction style</td>
<td>2.12(8)</td>
<td>1.84(13)</td>
</tr>
<tr>
<td>Relative emotional stability</td>
<td>3.00(13)</td>
<td>2.88(18)</td>
</tr>
</tbody>
</table>

* "Relative" to other transactions/agents the respondent has encountered over the past year or two.
TABLE 2

Agents' Evaluation of Acquaintances and Strangers: Responses to Structured Questions

Transaction Characteristics

<table>
<thead>
<tr>
<th></th>
<th>Acquaintance (n)</th>
<th>Stranger (n)</th>
<th>t(df)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of offers in a multiple-offer situation</td>
<td>1.46(13)</td>
<td>1.58(17)</td>
<td>0.18(28)</td>
</tr>
<tr>
<td>Number of counters</td>
<td>0.55(11)</td>
<td>0.86(15)</td>
<td>0.92(24)</td>
</tr>
<tr>
<td>*Significant problems raised during the inspection</td>
<td>0.57(14)</td>
<td>0.38(18)</td>
<td>0.75(30)</td>
</tr>
<tr>
<td>*Was a second inspection requested</td>
<td>0.64(14)</td>
<td>0.38(18)</td>
<td>1.42(30)</td>
</tr>
<tr>
<td>*Were any issues reopened after the inspection</td>
<td>0.15(13)</td>
<td>0.25(16)</td>
<td>0.61(27)</td>
</tr>
<tr>
<td>*Were any new issues brought up after the inspection</td>
<td>0.38(13)</td>
<td>0.06(15)</td>
<td>2.04(17.3)**</td>
</tr>
<tr>
<td>*Were any major issues brought up after the inspection</td>
<td>0.50(2)</td>
<td>0.25(4)</td>
<td>0.51(4)</td>
</tr>
<tr>
<td>*Were any attempts made at the last minute to change contract terms</td>
<td>0.00(4)</td>
<td>0.15(13)</td>
<td>0.80(15)</td>
</tr>
<tr>
<td>Listing agent's personal estimate of house value</td>
<td>404.16(6)</td>
<td>416.85(7)</td>
<td>0.09(11)</td>
</tr>
<tr>
<td>Original listing price of house discussed</td>
<td>345.07(13)</td>
<td>376.44(18)</td>
<td>0.47(29)</td>
</tr>
</tbody>
</table>

* Yes/No responses only
<table>
<thead>
<tr>
<th>Acquaintance (n)</th>
<th>Stranger (n)</th>
<th>t(df)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time between initial offer and opening of escrow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.22(9)</td>
<td>5.13(23)</td>
<td>2.18(22.3)**</td>
</tr>
<tr>
<td>Length of escrow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>57.50(2)</td>
<td>51.20(5)</td>
<td>0.33(15)</td>
</tr>
<tr>
<td>*Selling price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>225.00(2)</td>
<td>286.60(5)</td>
<td>1.33(5)</td>
</tr>
<tr>
<td>**Estimated level of seller's motivation to sell</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.30(13)</td>
<td>3.94(18)</td>
<td>0.66(29)</td>
</tr>
<tr>
<td>**Estimated level of buyer's motivation to buy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.00(13)</td>
<td>3.61(18)</td>
<td>1.25(29)</td>
</tr>
<tr>
<td>**Estimated overall difficulty of transaction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.07(13)</td>
<td>2.47(17)</td>
<td>0.73(28)</td>
</tr>
<tr>
<td>**Estimated difficulty due to financial, legal or zoning problems</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.66(6)</td>
<td>2.10(10)</td>
<td>0.53(14)</td>
</tr>
<tr>
<td>**Estimated difficulty due to the other agent involved</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.30(13)</td>
<td>1.94(18)</td>
<td>1.89(22.8)*</td>
</tr>
<tr>
<td>**Estimated difficulty due to my client</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.23(13)</td>
<td>2.05(17)</td>
<td>0.29(28)</td>
</tr>
<tr>
<td>**Estimated difficulty due to other agent's client</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.00(13)</td>
<td>2.33(18)</td>
<td>0.57(29)</td>
</tr>
</tbody>
</table>

* p < .10  
** p < .05

* As is and multiple offer situations were excluded because in these cases the original listing price was the same as the selling price.

** Measured on a 5-point scale, where 1 is "low" and 5 is "high."
TABLE 3
Agents' Evaluation of Acquaintances and Strangers: Responses to Structured Questions

**Agent's Experience**

<table>
<thead>
<tr>
<th>Acquaintance (n)</th>
<th>Stranger (n)</th>
<th>t(df)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of years licensed</td>
<td>16.28(14)</td>
<td>6.94(18)</td>
</tr>
<tr>
<td>Average transaction size (this year)</td>
<td>284.92(13)</td>
<td>292.44(18)</td>
</tr>
<tr>
<td>Number of transactions (this year)</td>
<td>13.16(12)</td>
<td>13.16(18)</td>
</tr>
</tbody>
</table>

* p<.10
** p<.05
***p<.01
<table>
<thead>
<tr>
<th>Characteristics Important to Closing a Transaction: Volunteered Responses</th>
<th># (%) mentioning characteristics</th>
<th># (%) not mentioning characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Acquaintance</strong></td>
<td><strong>Stranger</strong></td>
<td><strong>Acquaintance</strong></td>
</tr>
<tr>
<td>Respect is important&lt;sup&gt;+&lt;/sup&gt;</td>
<td>3 (60)</td>
<td>2 (40)</td>
</tr>
<tr>
<td>Respect is not important</td>
<td>1 (100)</td>
<td>0 (0)</td>
</tr>
<tr>
<td>Efficiency is important</td>
<td>10 (52.63)</td>
<td>9 (47.37)</td>
</tr>
<tr>
<td>Imagination is important</td>
<td>3 (75)</td>
<td>1 (25)</td>
</tr>
<tr>
<td>Technical skills are important</td>
<td>4 (57.14)</td>
<td>3 (42.86)</td>
</tr>
<tr>
<td>Technical skills are not important</td>
<td>2 (100)</td>
<td>0 (0)</td>
</tr>
<tr>
<td>Protecting client as positive&lt;sup&gt;+&lt;/sup&gt;</td>
<td>2 (40)</td>
<td>3 (60)</td>
</tr>
<tr>
<td>Protecting client as negative&lt;sup&gt;+&lt;/sup&gt;</td>
<td>1 (33.33)</td>
<td>2 (66.67)</td>
</tr>
<tr>
<td>Reports on client's thoughts</td>
<td>0 (0)</td>
<td>3 (100)</td>
</tr>
</tbody>
</table>

<sup>+</sup> The adjectives "important," positive," and "negative" refer to the characteristics' contribution to a successful transaction.
<table>
<thead>
<tr>
<th></th>
<th>Acquaintance</th>
<th>Stranger</th>
<th>Acquaintance</th>
<th>Stranger</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong># (%) mentioning characteristics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business-like behavior is positive</td>
<td>4 (42.86)</td>
<td>4 (57.14)</td>
<td>10 (41.67)</td>
<td>14 (58.33)</td>
</tr>
<tr>
<td>Business-like behavior is negative</td>
<td>1 (100)</td>
<td>0 (0)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flexibility is important</td>
<td>4 (66.67)</td>
<td>2 (33.33)</td>
<td>10 (38.46)</td>
<td>16 (61.54)</td>
</tr>
<tr>
<td>Informality is important</td>
<td>5 (71.43)</td>
<td>2 (28.57)</td>
<td>9 (36)</td>
<td>16 (64)</td>
</tr>
<tr>
<td>Trustworthiness is important</td>
<td>7 (58.33)</td>
<td>5 (41.67)</td>
<td>7 (35)</td>
<td>13 (65)</td>
</tr>
<tr>
<td>Dishonesty is a problem</td>
<td>0 (0)</td>
<td>2 (100)</td>
<td>14 (46.67)</td>
<td>16 (53.33)</td>
</tr>
<tr>
<td>Deceitfulness is a problem</td>
<td>4 (57.14)</td>
<td>3 (42.86)</td>
<td>10 (40)</td>
<td>15 (60)</td>
</tr>
<tr>
<td>I have confidence in the other agent</td>
<td>1 (50)</td>
<td>1 (50)</td>
<td>13 (43.33)</td>
<td>17 (56.67)</td>
</tr>
<tr>
<td>I don't check other agent's information</td>
<td>0 (0)</td>
<td>1 (100)</td>
<td>14 (45.16)</td>
<td>17 (54.84)</td>
</tr>
<tr>
<td>Rudeness is a problem</td>
<td>0 (0)</td>
<td>2 (100)</td>
<td>14 (46.67)</td>
<td>16 (53.33)</td>
</tr>
<tr>
<td></td>
<td>Acquaintance</td>
<td>Stranger</td>
<td>Acquaintance</td>
<td>Stranger</td>
</tr>
<tr>
<td>--------------------------</td>
<td>--------------</td>
<td>---------------</td>
<td>--------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Other agent &quot;punishes&quot; me</td>
<td>0 (0)</td>
<td>2 (100)</td>
<td>14 (46.67)</td>
<td>16 (53.33)</td>
</tr>
<tr>
<td>Pressure by other agent exists</td>
<td>2 (50)</td>
<td>2 (50)</td>
<td>12 (42.86)</td>
<td>16 (57.14)</td>
</tr>
<tr>
<td>Delaying techniques were used</td>
<td>1 (50)</td>
<td>1 (50)</td>
<td>13 (43.33)</td>
<td>17 (56.67)</td>
</tr>
<tr>
<td>Other agent too busy</td>
<td>0 (0)</td>
<td>3 (100)</td>
<td>14 (48.28)</td>
<td>15 (51.72)</td>
</tr>
<tr>
<td>Experience is important</td>
<td>3 (42.86)</td>
<td>4 (57.14)</td>
<td>11 (44)</td>
<td>14 (56)</td>
</tr>
<tr>
<td>Volunteering information is positive</td>
<td>1 (14.29)</td>
<td>1 (85.71)</td>
<td>13 (52)</td>
<td>12 (48)</td>
</tr>
<tr>
<td>Sharing information is important</td>
<td>3 (42.86)</td>
<td>4 (57.14)</td>
<td>11 (44)</td>
<td>14 (56)</td>
</tr>
<tr>
<td>Lack of sharing information is a problem</td>
<td>1 (33.33)</td>
<td>2 (66.67)</td>
<td>13 (44.83)</td>
<td>16 (55.17)</td>
</tr>
<tr>
<td>Cooperativeness is important</td>
<td>3 (37.50)</td>
<td>5 (62.50)</td>
<td>11 (45.83)</td>
<td>13 (54.17)</td>
</tr>
<tr>
<td>Other agent's stability is positive</td>
<td>2 (33.33)</td>
<td>4 (66.67)</td>
<td>12 (45.15)</td>
<td>14 (53.85)</td>
</tr>
</tbody>
</table>
### VOLUNTEERED RESPONSES:
**Transaction Characteristics, cont’d, p. 4**

<table>
<thead>
<tr>
<th># (%) mentioning characteristics</th>
<th># (%) not mentioning characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Acquaintance</strong></td>
<td><strong>Stranger</strong></td>
</tr>
<tr>
<td>Other agent was emotionally unstable</td>
<td></td>
</tr>
<tr>
<td>2 (50)</td>
<td>2 (50)</td>
</tr>
<tr>
<td>Communicativeness is positive</td>
<td></td>
</tr>
<tr>
<td>5 (41.67)</td>
<td>7 (58.33)</td>
</tr>
<tr>
<td>Communicativeness is negative</td>
<td></td>
</tr>
<tr>
<td>0 (0)</td>
<td>1 (100)</td>
</tr>
<tr>
<td>Other agent gives excuses</td>
<td></td>
</tr>
<tr>
<td>2 (50)</td>
<td>2 (50)</td>
</tr>
<tr>
<td>Attention to details is positive</td>
<td></td>
</tr>
<tr>
<td>5 (55.56)</td>
<td>4 (44.44)</td>
</tr>
<tr>
<td>Attention to details is negative</td>
<td></td>
</tr>
<tr>
<td>1 (100)</td>
<td>0 (0)</td>
</tr>
<tr>
<td>Overlooking details is not so bad</td>
<td></td>
</tr>
<tr>
<td>0 (0)</td>
<td>1 (100)</td>
</tr>
<tr>
<td>Overlooking details is a problem</td>
<td></td>
</tr>
<tr>
<td>13 (43.33)</td>
<td>17 (56.67)</td>
</tr>
<tr>
<td>Details can be negative</td>
<td></td>
</tr>
<tr>
<td>2 (66.67)</td>
<td>1 (33.33)</td>
</tr>
<tr>
<td></td>
<td>Acquaintance</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td><strong>Other agent structures our interactions</strong></td>
<td>1 (50)</td>
</tr>
<tr>
<td><strong>Other agent uses stereotypes</strong></td>
<td>0 (0)</td>
</tr>
</tbody>
</table>