

The three faces of Eve: Strategic displays of positive, negative, and neutral emotions in negotiations

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Abstract

In a series of laboratory experiments, we tested the influence of strategically displaying positive, negative, and neutral emotions on negotiation outcomes. In Experiment 1, a face-to-face dispute simulation, negotiators who displayed positive emotion, in contrast to negative or neutral emotions, were more likely to incorporate a future business relationship in the negotiated contract. In Experiment 2, an ultimatum setting, managers strategically displaying positive emotion were more likely to close a deal. This effect was mediated by negotiators' willingness to pay more to a negotiator strategically displaying positive versus negative emotions. In Experiment 3, display of positive emotion was a more effective strategy for gaining concessions from the other party in a distributive setting. Negotiators made more extreme demands when facing a negotiator strategically displaying negative, rather than positive or neutral, emotions. Implications for strategic display of emotion in negotiations are discussed.

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The scholarly inquiry of negotiation behavior and outcomes has been heavily influenced by cognition, both from a prescriptive (e.g., Raiffa, 1982) and from a descriptive perspective (Neale & Bazerman, 1991; Thompson & Hastie, 1990). A new generation of researchers has challenged this cognitive tradition by studying how emotions affect interdependent decision making (Allred, 1999; Baron, 1990; Barry & Oliver, 1996; Barsade, 2002; Carnevale & Isen, 1986; Forgas, 1998; Keltner, Ellsworth, & Edwards, 1993; Kramer, Newton, & Pommerenke, 1993; Kumar, 1997; Sutton & Rafaeli, 1988; Thompson, Medvec, Seiden, & Kopelman, 2001; Thompson, Nadler, & Kim, 1999). They view emo-

tional states as predictors of negotiated outcomes. Both cognitive and emotional approaches to negotiation have highlighted not only outcomes related to the negotiable items *on* the table, but also outcomes related to the social relationship between the parties *at* the table (Greenhalgh & Chapman, 1995; Kopelman & Olekalns, 1999; Kramer & Messick, 1995; Lawler & Yoon, 1995; Leung & Fan, 1997; McGinn & Keros, 2002; Sondak, Neale, & Pinkley, 1999; Valley, Neale, & Mannix, 1995). Barry (1999) stressed the important role that emotions can play at the negotiating table and argued that “the willful use of emotional display or expression [can be used] as a tactical gambit by an individual negotiator” (p. 3). We build on this assertion and conceptualize emotions as a deliberate behavioral strategy that is available to negotiators.

Empirical research on negotiations has focused on two distinct yet related subsets of a more general category called *affect: emotions* and *mood*. Mood is

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considered a more diffuse psychological state, whereas emotion is a differentiated response to a specific situation (e.g., Barry, 1999; Schwarz & Clore, 1996). In contrast to enduring moods, emotions are relatively short-lived and are either triggered by an identifiable event or brought on as a means to achieving an aspired end. We extend previous research that either examined isolated unrelated emotional stimuli (e.g., pleasant scent, funny cartoons, sweet food, or a gift) that induced positive or negative emotion (e.g., Baron, 1990; Carnevale & Isen, 1986; Isen, Daubman, & Nowicki, 1987) or measured negotiator's mood (e.g., Forgas, 1998) by examining the effectiveness of strategically displayed emotions on both economic and relational negotiation outcomes.

Strategic display of emotion in negotiations

The study of strategically displayed emotions in negotiations rests on two fundamental assumptions: (1) negotiators can control their behavioral emotional display during social interactions, and (2) emotional displays can be communicated convincingly to the other party. In line with the first assumption, we propose that negotiators can express a desired emotion and that the behavioral display of the emotion, like other strategies in their negotiation tool kit, may serve as a means to attain a desired outcome. Deliberate regulation of emotion may involve different levels of acting (Coté, 2005; Grandey, 2000; Gross, 1998; Hochschild, 1983). In deep acting, internally experienced and externally displayed emotions are aligned and therefore considered authentic. At other times, however, the negotiator's emotional strategy may be at odds with how he or she feels at that moment. This type of emotional regulation is called surface acting, and because it influences only the display of emotion, not the internal experience of emotion, it is considered to be inauthentic (Coté, 2005). Whether the strategic behavioral display of emotion represents emotions psychologically experienced at that moment (i.e., the negotiator strategically "harnesses felt emotions," perhaps exaggerating them as he displays them) or whether it represents deliberately feigned emotion (i.e., the negotiator "wears an emotional mask" hiding her current feelings), skilled negotiators may intentionally adjust their emotional display in a desired direction by either amplifying or suppressing their own experienced emotion (Hochschild, 1983; Levenson, 1994a). We do acknowledge that there may be ethical concerns regarding the intentional display of emotions in what may range from a less than forthright or honest manner to an outright manipulative tactic; but, just as misrepresentation of information is a negotiation strategy worthy of investigation, we maintain that so is the study of the deliberate display of emotion.

The second assumption upon which our research rests is that emotional displays can be communicated con-

vincingly to the other party. That is, behavioral display of emotion by a focal negotiator will be perceived by a target negotiator. Whether through primal processes like emotional contagion (e.g., Hatfield, Cacioppo, & Rapson, 1992) or higher-level cognitive processes, we assume that the target negotiator's actions can be influenced by the strategic display of emotion. Our concern is not how strategic display of emotion is processed by the target negotiator. Neither the debate on the primacy of emotions versus cognitions (Lazarus, 1984; Zajonc, 1984) is addressed by our empirical investigation nor is whether strategically displayed emotions are perceived as genuine or contrived by the target negotiator. Our presumption is simply that the strategic display of emotion will be perceived. In fact, recognition of emotional display in social interactions is considered an evolutionary adaptive human characteristic (Ekman, 1993). Thus, implicit to the argument that expressed emotion can be used strategically in negotiations, is the assumption that emotional experiences can be controlled and convincingly displayed in support of strategic action.

In this paper, strategic behavioral display of emotion refers to emotion intentionally expressed by the focal negotiator to attain a desired outcome, and is experimentally manipulated with regard to three general emotional approaches: deliberately positive, negative, and neutral display of emotions. Categorizing strategic emotions into such broad categories may constitute an oversimplification of emotional phenomena, but since, to the best of our knowledge, this is the first empirical investigation of strategic emotional display in negotiations we believed it was an appropriate starting point for this line of empirical research. In general, negative emotion differs categorically from positive emotion from an evolutionary perspective. Negative emotions represent specific action tendencies that narrow in on a specific subset of behavioral options and are necessary for survival in life-or-death situations (Tooby & Cosmides, 1990). They mobilize appropriate autonomic support, making running, for example, possible when in the face of danger (Levenson, 1994b). In contrast, positive emotions are relatively vague and underspecified (Fredrickson & Levenson, 1998). They are more likely to occur when people feel safe and satiated (Frijda, 1986) and facilitate approach behavior, exploration, and activity engagement. Social and personal resources accrued during states of positive emotions are theorized to be durable and build long-term resilience (Fredrickson, 2001).

There are several mechanisms by which strategically displayed emotions, whether positive, negative, or neutral, may impact the social interaction between negotiators. First, displayed emotions may convey information and influence strategic information processing (e.g., Forgas & George, 2001). For example, assuming the target negotiator accurately perceives the display of positive emotion each time the focal negotiator discusses a

particular issue, he may infer that this specific negotiable issue is of supreme importance to the focal negotiator. Whether learning that this issue is important to the focal negotiator leads to identifying a compatible issue or to leveraging a trade-off, this information could help expand the pie of resources and thus would be valuable information exchange.

Second, emotions may serve as a means of persuasion (e.g., Forgas, 2001) and thus may constitute a manipulative negotiation tactic that leads the other party to act in a way he otherwise would not have otherwise chosen. For example, strategic emotional display by the focal negotiator may engender an emotional reaction in the target negotiator that leads him to concede on a negotiable issue. Consider a focal negotiator displaying an outpour of positive emotion and ingratiating himself upon the target negotiator. Prior research suggests that a target negotiator, even if she is completely aware that an ingratiation tactic is put into play, is still likely to respond by acquiescing to the request made (Yukl & Falbe, 1990). In contrast, strategically negative emotional display could engender negative emotion in the other party and thus manipulate the target negotiator into early foreclosure through greater concessions, because exiting the socially unpleasant situation becomes a more salient concern than gaining economic value.

Given the above conceptual framework, we set out to investigate how displayed emotion influences the negotiation process and outcomes. Next, we review negotiation theory, research, and tactics that correspond to the positive, negative, and neutral strategic emotional approaches.

Positive emotion

Although there have not been studies on strategic positive display of emotion, numerous researchers have examined how induced positive emotion and measured positive mood influence negotiations. A general finding is that induced positive emotion and good mood increase cooperative tactics and enhance the quality of agreements. A large body of social psychological research suggests that positive affect leads to better decisions and improved consequences for the social actor in a variety of settings (see Isen, 1987 for a review). In what has become a seminal study of positive affect and negotiation, (Carnevale & Isen, 1986), positive emotion was induced prior to a negotiation task by having negotiators perform a seemingly unrelated task of sorting cartoons and offering them a small gift. Negotiators experiencing positive emotion subsequently reached more mutually beneficial outcomes in a face-to-face bargaining task than did the control group. Subsequent studies that similarly manipulated positive affect reported similar findings, and together these suggest that

positive negotiators realize higher individual and joint gains on both integrative and distributive negotiation tasks than do negotiators in a neutral affect condition (Baron, 1990; Carnevale & Isen, 1986; Hollingshead & Carnevale, 1990).

Favorable negotiated outcomes are attained because positive affect influences how people process information and promote creative thinking (Isen et al., 1987; Kramer et al., 1993), which, in turn, makes negotiators more likely to engage in innovative problem solving (Carnevale & Isen, 1986). People in a positive mood set higher goals (Baron, 1990) so that they may be able to claim a larger slice of the increased pie. The Affect Infusion Model (AIM, Forgas, 1995) is consistent with the view that positive emotions enhance negotiators' effectiveness. According to AIM, emotions influence cognitive evaluations and negotiators adopt affect-congruent bargaining strategies. For example, happy negotiators develop more cooperative tactics than unhappy negotiators (Forgas, 1998).

Negative emotion

Social psychological research extols the benefits of positive affect, but another perspective argues that in contrast to positive emotional displays, negotiators who display negative emotion can be extremely effective at the bargaining table. By ranting and raving and being unpleasant, a negotiator can position the negotiation in his favor and convince the other party to succumb to his demands. The good-cop bad-cop strategy (e.g., Brodt & Tuchinsky, 2000; Hilty & Carnevale, 1993) leverages the effect of negative emotions. Criminal investigators capitalize on the perceptual contrast (Cialdini, 1993) between a friendly negotiator who establishes rapport through amplified displays of compassion and is only able to extract concessions because of the demands previously made by a negative co-conspirator (Rafaeli & Sutton, 1991). Similarly, Hilty and Carnevale (1993) found that when two people negotiated as a team and sequentially shifted between cooperative and competitive strategies (which may be viewed as positive and negative approaches), greater concessions were made by the other party and the distance between offers was reduced. Although in the latter study emotions per se were not measured, it suggests that negative emotional displays might be used strategically in the negotiation process.

A negative approach also is supported by the *squeaky wheel gets the grease* principle, which states that a negotiator should demonstrate an unwillingness to move away from a stated position by vocally escalating the level of demands (Singelis, 1998). For example, a negotiator who issues more explicit threats toward the end of a negotiation, in contrast to implicit threats or no threats, is more likely to elicit concession from the target (Sinaceur & Neale, 2005). Whereas those who *squeak*

may be negatively perceived; self-regulation theory (Baumeister, Leith, Muraven, & Bratslavsky, 1998) suggests that people may concede to the demands of an opponent displaying negative emotion because people self-regulate to prolong positive moods and exposure to negative stimuli minimizes positive moods. One underlying process supporting the effectiveness of displaying negative emotion, thus, seems to be the willingness of the target negotiator to make larger concessions to exit an unpleasant social situation.

Accordingly, one could expect negotiators strategically displaying negative emotions to attain higher gains. In fact, recent experimental findings support this claim. Sinaceur and Tiedens (2005) found that strategic display of anger was effective in extracting value in face-to-face negotiations, but only when the other party perceived his alternatives to be weak. This occurred because the strategic display of anger communicated toughness to the other party, which supports the squeaky wheel gets the grease view because targets made more concessions to an opponent they perceived as tough (Sinaceur & Tiedens, 2005). In a series of studies, negotiators in a non-interactive setting received a verbal message describing the emotions of the focal negotiator. The findings suggest that negative emotion could be economically beneficial because participants who believed they faced a negative negotiator made larger concessions (Van Kleef, De Dreu, & Manstead, 2004a, 2004b).

On the other hand, in some settings, display of negative emotion may be detrimental to the negotiation process and outcomes. For instance, insulting offers that generate negative affect are rejected in ultimatum bargaining settings (Pillutla & Murnighan, 1996). Deutsch (1973) described a series of bargaining games that explored the use of threat and suggested that although the availability of coercive power increased aspiration levels, the use of threat and aggression interfered with the development of profitable agreements. Consistently, Allred and co-workers (1997) found that negotiators who experienced high anger and low compassion achieved lower joint gains and had a reduced desire to work with each other in the future. Thus, strategic display of negative emotion in a dispute setting may lead to a conflict spiral that is difficult to break (Ury, Brett, & Goldberg, 1988).

Neutral emotion

A quite different perspective cautions negotiators to suppress and conceal all emotions. This strategy suggests that a negotiator is best advised to neither feel nor express emotion at the bargaining table because emotion is viewed as a weakness and leads to vulnerability. A negotiator who displays emotions, particularly those of relief, satisfaction, and approval, risks settling for a worse outcome than does the *poker-faced* negotiator

who deliberately masks any emotional display. It is important to note that the neutral emotional display strategy is not based in scientific theory or research, but is more of a lay-theory or prescriptive model of negotiations. Popular books advise that "...people in an emotional state do not want to think, and they are particularly susceptible to the power of suggestion from a clever opponent..." (Nierenberg, 1968, p. 46) and suggest that being rational requires an absolute absence of emotions.

Support for this approach can be drawn from Janis and Mann's (1977) model of decision making. They argue that decision makers experiencing high levels of emotional stress often conduct incomplete searches for information, complete sub-standard appraisals, and disregard contingency planning. These adverse negotiation strategies often lead to defective decisions. The risk literature also advises negotiators to be emotionally neutral because risk-seeking (thrill-based) or risk-averse (fear-based) behavior can lead to suboptimal decision making and inferior negotiated outcomes (for reviews of risk-based negotiations see Bazerman & Neale, 1992; Neale & Bazerman, 1991). In fact, recent empirical findings support the perspective that people physiologically deprived of emotional reactions actually might make better decisions (Damasio, 1994). Patients with stable focal lesions in brain regions related to emotion who do not experience emotions made more rational and ultimately more profitable investment decisions than patients with focal lesions in brain regions unrelated to emotion and normal participants with no brain damage (Shiv, Loewenstein, Bechara, Damasio, & Damasio, 2005). Hence, there may be advantages when negotiators do not display emotions. However, there also could be negative implications for a poker-faced strategy. For example, a non-emotional approach may impede the development of rapport and trust between negotiators (Drolet & Morris, 2000).

Overview of experiments

Embracing a theoretical framework of goal-directed emotional display (Barry, 1999; Barry & Oliver, 1996; Thompson et al., 2001; Thompson et al., 1999), we empirically examined the effect of strategically displaying positive, negative, and neutral emotions. Experiment 1 tested the effect of strategic display of emotion in an interactive dispute on immediate outcomes (dispute resolution), and on expectations concerning a future business relationship. Negotiators were coached to strategically display positive, negative, or neutral emotions during a one-hour-long negotiation process. In contrast, Experiments 2 and 3 tested the effect of strategic emotional display in a more controlled paradigm. Rather than having participants idiosyncratically

display strategic emotions, a professional actor uniformly presented each emotional display to negotiators through a videotaped negotiation offer. The offer was consistent with respect to content. In Experiment 2, participants responded to a take-it-or-leave-it offer made by the professional actor and could either accept or reject the ultimatum. Experiment 3 extended the investigation to proposed counteroffers and concession-making in a distributive setting. Together, these three experiments were designed to provide an initial test of the feasibility and impact of strategically displaying emotion in negotiations.

Experiment 1

Disputes are a prime setting in which to examine the impact of emotional display on negotiated outcomes. In a dispute, each party is convinced that his version of the truth is justified and assumes the other party is intentionally trying to harm him (Ury et al., 1988). Furthermore, in contrast to deal-making, in disputes parties are interdependent with respect to their alternatives to the negotiated agreement; they either find a mutually beneficial resolution or escalate beyond the negotiation process to a different form of resolution. When the stakes of the perceived conflict are high and a negotiator cannot simply disengage and walk away if negotiated terms are unacceptable to him, he is likely to experience and possibly display emotions. The question is which type of emotional display is strategically favorable to the negotiator or whether deliberately concealing all emotions is preferable.

To overcome the conflict and move toward a constructive future business relationship, negotiators may strategically adopt a positive negotiation approach. For example, following a highly emotional argument with a business partner, a negotiator may deliberately begin the subsequent discussion with a token of appreciation. A kind word, a compliment, an apology, or any display of positive emotional exchange would re-affirm the good relationship and common goals that initially led both parties to embark on the joint business opportunity. Even if a negotiator does not directly apologize for recent acrimonious exchanges, being especially friendly or otherwise positive may signal the desire to reframe the situation and help create a constructive atmosphere for dispute resolution. By diffusing the bitter feelings, strategic display of positive emotion could increase the likelihood of a creative future-oriented and interest-based solution and may therefore increase the likelihood of dispute resolution.

In contrast, negotiators who strategically display negative emotion may maintain an emotional tone consistent with the disputed problem and thus may be less effective in resolving disputes. A negative negotiator

may be more likely to hold to her positions and thus risk reaching an impasse (Bazerman & Neale, 1982). Furthermore, when a negotiator displays negative emotion she risks falling into the trap of a conflict spiral. If the approach generates anger, it could instigate retaliation by the other party (Allred, 1999) and subsequently may lead to a deadlock, or even an escalation of conflict (Ury et al., 1988). Thus, we make the following prediction:

Hypothesis 1. In a dispute setting, negotiators who strategically display negative emotion will be less likely to reach an agreement than negotiators who strategically display positive emotion.

Beyond the influence of emotional display on whether an agreement will, altogether, be attained, strategic display of emotion also may influence the quality of the negotiated agreements. A central issue in dispute resolution is developing a mutually agreeable future relationship (Greenhalgh & Chapman, 1995; Pruitt & Carnevale, 1993). We suggest that the strategic display of emotions also will impact the likelihood that parties would anticipate a constructive future relationship following the dispute. We argue that a positive approach more so than a negative approach may help negotiators not only overcome the uncooperative exchanges brought on by the rejection of one party's claim—the source of the conflict—but that display of positive emotions may mend the relationship. Positive emotional convergence between negotiators (Anderson, Keltner, & John, 2003) is likely to broaden people's self-conceptions to include others to a greater degree (Fredrickson, 2001; Waugh & Fredrickson, 2002) and thus may enhance the likelihood of continued joint business projects. In contrast to positive emotion, anger may diminish negotiators' desire to work with each other in the future (Allred, Mallozzi, Matsui, & Raia, 1997). Thus, we predict that:

Hypothesis 2. In a dispute setting, negotiators who strategically display positive emotion will be more likely to expect a future business relationship with the other party following dispute resolution than negotiators who strategically display negative emotion.

Method

Participants

A total of 274 executive MBA students enrolled in a negotiation course participated in the study, thus 137 dyads were created. The study design included three conditions: (1) positive emotional display ($N=47$); (2) negative emotional display ($N=44$); and (3) neutral emotional display ($N=46$). Participants were randomly assigned to conditions. The design did not pit positive negotiator against neutral or negative negotiator in the same dyad. Instead, the comparison of emotional dis-

plays occurred between dyads. By restricting a single type of emotional display to a negotiating dyad (positive, negative, or neutral), we could better isolate the influence of the emotional strategy on the negotiated outcome.

Manipulations

To manipulate each of the three emotional displays, explicit written instructions were pre-tested and provided to the participants. Participants in the positive emotional display condition were coached to develop a positive bargaining style by using positive emotion, leaving the other party feeling good, avoiding hostility, creating positive relationships, and framing the negotiation as a partnership. In the negative emotional display condition, participants were coached to develop a resolute bargaining style by being persistent, passionately committed to their beliefs, beginning with extreme positions, employing negative reinforcement, and being tough. Finally, in the neutral emotional display condition, participants were coached to develop a rational bargaining style by controlling their emotional display, making strategic decisions, being professional, developing rational strategies, and thinking logically. The materials used for coaching strategic emotional display are presented in Appendix A.

In each experimental condition, half the dyads were randomly assigned to a matched emotional display condition (e.g., both negotiators were coached to display positive emotion), whereas the other half were randomly assigned to a single emotional display condition (e.g., only one party was coached to display positive emotion and the other was not coached). By examining both matched and single display dyads, we were able to assess whether the manipulation of emotional display was additive (i.e., whether outcomes would be more pronounced when both negotiators displayed the same emotional strategy whether positive, negative, or neutral). In the single display condition, the other party was asked to develop a strategy for the upcoming negotiation, with no specific mention of emotions. All roles were randomly assigned and each participant saw only one set of materials (positive, negative, neutral coaching or in the case of single-display, no emotional display coaching). Participants were led to believe the experiment was about dispute-resolution strategies and no mention of emotions was made until the experiment was debriefed.

Procedures and task

Participants in all conditions were randomly paired with another participant and then randomly assigned to play the role of one of the two disputants in the negotiation. The dispute simulation, Viking Investments (Greenhalgh, 1993), concerned a conflict between a condominium developer and a carpentry contractor. The background information provided to the participants explained that the developer and the contractor had a

multi-faceted business relationship and had conducted numerous business transactions in the past. The dispute negotiated was about the cost of work performed by the contractor for the developer, the renewal of a loan, and the renewal of an office lease. If they settled the dispute, there was an opportunity for them to work together on future engagements. If, no settlement was reached, however, the background information implied that the contractor would go bankrupt and the developer would forego future investment opportunities. Participants were given information describing the interaction between the two parties that led to the dispute and were told that they would meet with the other party to discuss the disputed contract. The emotional display manipulation was attached to the front of the role materials.

After participants read their materials, they were introduced to the other party and given one hour to negotiate. We determined through pre-testing that one hour was a sufficient amount of time to resolve the dispute. At the end of one hour, both parties were instructed to jointly complete a written document detailing the nature of their agreement (or lack thereof). Following this, participants were separated and each completed a post-negotiation questionnaire. Participants then were debriefed.

Measures

Manipulation check. To test our manipulation, following the negotiation, participants used items on a 7-point Likert scale, anchored by 1 (*not at all*) and 7 (*very much*), to rate their own (“I was”) and their partner’s (“Partner was”) emotional display during the negotiation. Based on ratings of each negotiator’s own emotional display, the following three constructs were created: self/positive, self/negative, and self/neutral. Positive emotional display for the negotiator (self-positive) was measured with one item, friendly. A high score indicated that the negotiator perceived him/herself to have displayed positive emotion. Negative emotional display for the negotiator (self-negative) was measured with three items: aggressive, insistent, and angry. A high score indicated that the negotiator perceived him/herself to have displayed negative emotion (Cronbach’s $\alpha = .76$). Neutral emotional display for the negotiator (self-neutral) was measured with one item, rational. A high score indicated that the negotiator perceived him/herself to have displayed neutral emotion. Based on ratings of each negotiator regarding their negotiation partner, the following three constructs were created: partner/positive, partner/negative, and partner/neutral. Positive display of emotions for the negotiator’s partner (partner-positive) was measured with one item, friendly. Negative display of emotion for the negotiator’s partner (partner-negative) was measured with three items: aggressive, insistent, and angry (Cronbach’s $\alpha = .71$). Neutral display of emotion for the negotiator’s partner (partner-neutral) was

measured with one item, rational. Both self and partner emotional constructs were used to test if the display of emotions was successfully manipulated. Given our fundamental assumptions about behavioral display of emotion (i.e., displayed emotion can be controlled and convincingly communicated), we created two measures to test the manipulation.

The first measure, emotional contagion (EC), tested the emergence of positive, negative, or neutral emotions subsequent to strategic display of positive, negative, or neutral emotions, respectively by one or both negotiators. Emotional contagion was conceptualized as a primitive, unconscious process that results from a tendency to automatically mimic and synchronize movements, expressions, postures, and vocalizations of another person (e.g., Hatfield et al., 1992). To test whether dyads coached in one of the three strategic emotional approaches (whether single or matched display) were more positive/negative/neutral following a one hour face-to-face interaction, we created a dyad level measure of emotional contagion by adding the self-ratings made by the focal negotiator (self-positive/negative/neutral) to the self-ratings made by the target negotiator (self-positive/negative/neutral). For example, a dyad's positive emotional contagion score was calculated by adding the focal negotiator's self-positive rating to the target negotiator's self-positive rating; the higher the score, the higher the dyad's positive emotional approach. Thus, we created three measures of emotional contagion: (1) positive emotional contagion (positive EC); (2) negative emotional contagion (negative EC); and (3) neutral emotional contagion (neutral EC). We note that the neutral condition is not a pure control, since negotiators' were coached, but it is emotionally neutral and serves as a benchmark. The values for the emotional contagion manipulation check ranged from 2 to 14, whereby a high score indicated a high reciprocal display of the indicated emotion by the two members in the dyad.

We expected emotional contagion to be higher in the matched- versus single display condition. If, for example, only one of the dyad members was coached to display positive emotion, the displayed emotions could seep through and influence the other negotiator, who in turn also would become more positive. When both parties were coached to display positive emotion, the same process of emotional contagion could result in an exponential intensification of the emotions. But, even in the single display condition, when only one negotiator was coached to display an emotion, we expected dyads in the single-positive display condition to engender more positive emotion than single display of neutral and negative emotions. Likewise, we expected single-negative display dyads to engender more negative emotion than single display neutral and positive conditions.

The second measure, emotional accuracy (EA) tested whether the focal negotiator's displayed emotions were

correctly assessed by the target negotiator. To construct an emotional accuracy index, we first measured the difference between the negotiators' displayed emotion (as indicated by their self-positive/negative/neutral) and the ratings given to them by the other party (partner-positive/negative/neutral). This resulted in three measures: positive emotional accuracy (positive EA), negative emotional accuracy (negative EA), and neutral emotional accuracy (neutral EA). Then, these three measures were combined into a single emotional accuracy index by matching the emotional accuracy to the strategic emotional approach manipulated (i.e., positive display to positive EA, negative display to negative EA, and neutral display to neutral EA). A positive score on an EA index indicated that displayed emotion assessed by the focal negotiator (as indicated by participants' self-positive/neutral/negative) was more intense than displayed emotion as judged by the target negotiator (under-perceived). A negative score indicated that displayed emotion as judged by the target was more intense than believed to be displayed by the focal negotiator (over-perceived). A score not significantly different from zero would indicate a perfect correspondence between emotional display and perception.

Dispute resolution. Dispute resolution was measured as whether or not negotiators came to a mutual agreement, also known as an impasse. The impasse rate was coded as a dichotomous variable where agreement was coded as one (1) and impasse as zero (0).

Expected future relationship. We measured the negotiators' desire to preserve their future business relationship by coding the content of the negotiated agreement that the two parties completed together at the end of the negotiation. There were two parts to the agreement, the terms of the deal and an open-ended question. If either the terms of the agreement or the responses to the open-ended question indicated a concern for the future relationship, a value of 1 was assigned to the future relationship measure. If neither the terms nor the responses referenced a future relationship, a value of 0 was assigned to the future relationship measure. An interrater reliability of 0.96 (Cohen's κ) was established by the coders who assessed the future relationship concern in the open-ended question.

Results

Manipulation test

Our analysis revealed that the positive and negative emotional display manipulation was successful. To test whether emotional display engendered emotional contagion, we conducted a series of three ANOVAs and planned comparisons using positive EC, negative EC, and neutral EC as dependent variables and emotional

display (collapsed across matched and single display conditions) as the independent variables. For positive EC, the mean was highest for the positive display condition. The overall model was significant ($F(2, 134) = 11.06$, $p < .001$) and the planned comparisons demonstrated that the positive condition ($M = 11.87$, $SD = 1.85$) was significantly higher than the neutral ($M = 11.11$, $SD = 1.84$; $t(134) = 2.00$, $p < .05$) and negative conditions ($M = 9.72$, $SD = 2.79$; $t(134) = 4.28$, $p < .001$). Similarly, for negative EC, the mean was highest for the negative condition. The overall model was significant, $F(2, 134) = 18.85$, $p < .001$, and the planned comparison demonstrated that the negative condition ($M = 8.42$, $SD = 2.31$) was significantly higher than the positive ($M = 5.87$, $SD = 1.95$; $t(134) = -5.67$, $p < .001$) and neutral conditions ($M = 6.53$, $SD = 1.86$; $t(134) = -4.26$, $p < .001$) on the negative EC measure. On the neutral EC measure, the overall model was significant, $F(2, 134) = 3.97$, $p < .03$ and planned comparisons showed that the neutral condition ($M = 11.95$, $SD = 1.28$) significantly differed from the negative condition ($M = 10.98$, $SD = 2.14$; $t(134) = 2.76$, $p < .01$), but did not differ significantly from the positive condition ($M = 11.65$, $SD = 1.51$; $t(134) = -1.04$, *ns*). The negligible difference between the positive condition and the neutral condition on the neutral EC measure suggests that it may be difficult to manipulate an absence of emotion. Individuals in general and negotiators specifically may more easily discern the valence of an emotion, either positive or negative, than a lack of emotion. It also suggests that positive negotiators may be perceived to be somewhat rational, whereas negative negotiators were not. With respect to the hypotheses, this does not impede our investigation because the paramount comparisons in this study were between the positive and negative displays of emotion. The neutral condition served as a baseline condition.

Although the manipulation check above confirmed that our manipulation of emotional contagion for the positive and negative conditions was effective, there was no significant difference between the single versus matched display conditions. A dyad with two strategically positive (negative) negotiators was not more positive (negative) than a dyad in which only one negotiator displayed positive (negative) emotion. Planned comparisons indicated that for the positive EC measure, the positive matched display condition ($M = 12.17$, $SD = 1.49$) did not significantly differ from positive single display condition ($M = 11.57$, $SD = 2.15$; $t(131) = 0.60$, *ns*). Similarly, for the negative EC measure, the negative matched display condition ($M = 8.74$, $SD = 2.50$) did not significantly differ from the negative single display condition ($M = 8.05$, $SD = 2.06$; $t(131) = 1.11$, *ns*). Also, for the neutral EC measure, the neutral matched condition ($M = 11.83$, $SD = 1.30$) did not significantly differ from the neutral single display condition ($M = 12.08$, $SD = 1.26$; $t(131) = -0.58$, *ns*). Consistently, negotiation

outcomes reported below did not significantly differ based on single versus matched display, and these conditions were collapsed.

To test whether emotional display was accurately perceived, an ANOVA was conducted. With regard to emotional accuracy (EA), negotiators coached to display negative emotion were under-perceived ($M = 1.26$, $SD = 1.28$), meaning that they believed their display of negative emotion was more intense than judged by their partner (the mean was significantly greater than zero, $t(43) = 6.53$, $p < .001$). However, negotiators coached to display positive emotion were neither over-perceived nor under-perceived ($M = 0.00$, $SD = 0.92$). Instead, negotiators were able to accurately detect and interpret the positive display of emotion and achieve emotional congruence (the mean did not differ significantly from zero $t(46) = 0.00$, *ns*). The overall ANOVA was significant ($F(2, 134) = 18.85$, $p < .001$) and negotiators coached to display neutral emotion also were neither over- nor under-perceived ($M = 0.09$, $SD = 1.04$).

Negotiation outcomes

Dispute resolution. We predicted there would be a higher impasse rate in the negative emotional display (ED) condition than in the positive ED conditions (H1). Hypothesis 1 was not supported. A χ^2 analysis indicated there were no differences between conditions with respect to impasse rate. Dyads in the negative ED condition impasse in 21% of the cases (35 agreements and 9 impasses), positive ED condition dyads impasse in 17% of the cases (39 agreements and 8 impasses), and neither condition differed from the neutral ED condition where 24% of the dyads reached an impasse (35 agreements and 11 impasses; $\chi^2(2, N = 137) < 1$, *ns*). These results suggest that regardless of the strategic emotional display, negotiators were as likely to reach some form of agreement and avoid potentially costly alternatives such as resorting to the decisions of a court.

Expected future relationship. We hypothesized that the positive ED would lead to a higher regard for preserving the future business relationship than would the negative ED (H2). This hypothesis was confirmed. Of the 39 positive ED dyads who reached an agreement, 36 or 92% expected a future relationship; whereas only 71% (25 of 35; $\chi^2(1, N = 74) = 5.55$, $p < .02$) of the negative ED dyads expected a future relationship. Interestingly, only 74% (26 of 35) of the neutral ED dyads expected a future relationship, which also differed significantly from the positive condition ($\chi^2(1, N = 74) = 4.41$, $p < .04$).

Discussion

The purpose of our first experiment was to examine how strategic emotions were displayed and perceived by parties in a negotiation and test their impact on

negotiated outcomes. The findings confirmed our hypothesis that strategic display of positive emotion would have an impact on the expected long-term business relationship. Negotiators who displayed positive emotion were more likely to anticipate a long-term relationship than negotiators who displayed negative or neutral emotions, as indicated by the inclusion of future joint business endeavors in the negotiated contract. This finding extends prior findings by Allred et al. (1997) who found that negotiators who felt high anger and low compassion had less desire to work with each other in the future. It suggests that in a dispute situation, even if you feel angry there could be benefits to displaying positive emotion. Of course, surface acting (displaying emotions incongruent with experienced emotions) may be difficult, and furthermore may have ethical implications; however, this experiment suggests that display of positive emotion is beneficial in a dispute setting. Instead of dissolving a potentially fruitful business relationship, it facilitated the potential of future value creation. A positive approach did not, however, affect the rate of impasse. In a dispute, the primary goal of negotiators is to avoid impasse because an impasse can be detrimental to the outcome of both parties. Contrary to our hypothesis, negotiators strategically displaying negative emotion were not more likely to reach an impasse and, thus, were as successful as the positive and neutral negotiators in avoiding costly alternatives such as declaring bankruptcy or taking the battle to court.

An important contribution to the negotiation literature actually may be found in the design of this study. Specifically, strategic emotions were successfully displayed by novice negotiators in a convincing fashion. The manipulation check confirmed that negotiators effectively displayed positive and negative emotions during the negotiation simulation. Thus, deliberate display of emotion is a feasible negotiation strategy.

In fact, it was sufficient for only one party to initially display positive or negative emotions during the negotiations. Accordingly, it may be adequate in future research to manipulate the behavioral display of emotion of only one negotiator to impact the emotional experience of the dyad. These methodological implications make the experimental findings more robust and the managerial implications more straightforward. Even if only one negotiator adopts a positive strategic emotional approach, it may be quite effective in increasing the likelihood of a profitable future business relationship developing once the currently disputed issue is resolved. Therefore, managers should consider focusing on their own emotional display during negotiations because their emotional disposition may influence the opposing party and subsequently shape the nature of the negotiated agreement.

Our findings about emotional accuracy, however, suggest that whereas strategic display of positive emotion was

accurately perceived, negotiators were overconfident to the degree in which they believed others accurately perceive the strategic display of negative emotion. Although the negative display of emotion engendered more negative emotion (as indicated by the emotional contagion manipulation check), the other party did not judge the focal negotiator to be as negative as she believed she was (emotional accuracy was incongruent). The emotional accuracy finding is consistent with research that showed that experienced negative emotions were related to expression only for people with dispositionally high expressivity (Gross, John, & Richards, 2000) and suggests that negative emotion may be relatively difficult to feign. Thus, managers who are low on emotional expressivity might need to be trained to convincingly display negative emotion in a manner that is consciously perceived by the other party. The ethical implications of training managers to display emotion are perplexing, and seem more challenging where negative, rather than positive emotions are concerned. Ethical considerations would apply to both organizations that engage in regulation of emotional display of employees and customers (Rafaeli & Sutton, 1991; Sutton & Rafaeli, 1988; Van Maanen & Kunda, 1989), as well as to individual negotiators.

This experiment had several limitations. First, this was a negotiation simulation and it is not evident that strategically displaying emotions in the real world would directly mirror doing so in a relatively risk-free classroom environment. Furthermore, the simulated negotiation was a qualitative dispute resolution case and outcomes may not transfer to deal-making buyer–seller transactions, whether distributive or integrative in nature. Finally, other than being generally perceived as positive and negative in contrast to a control condition, we had no real-time process measures of emotional display, only assessments following the negotiation. Thus, emotional display may not have been consistent across dyads and may not have been consistent within dyads throughout the one-hour-long negotiation. For example, negotiators in the negative emotional display condition may have displayed negative emotion at the outset of the negotiation, but to avoid impasse negotiators may have reverted to positive emotional display toward the end. To address the latter limitations, our next two experiments turned to a controlled display of emotion where all participants in each condition viewed the same emotional display, which was consistently displayed throughout the social interaction. We also shifted to a negotiation setting where we could exclusively focus on economic outcomes.

Experiment 2

In our next experiment, we investigated whether the potential benefits of strategic display of emotions

observed in Experiment 1 would carry over to a different negotiation context, a zero-sum setting. Specifically, we investigated whether the strategic display of positive or negative emotion would be the most effective in an ultimatum bargaining setting when no future business relationship was at stake and the parties could simply walk away.

Research on emotion in ultimatum bargaining suggests that the display of positive emotion may be more effective than negative emotion. Demanding statements such as “Take it or leave it!” increase rejection rates (Kravitz & Gunto, 1992; Leventhal & Bergman, 1969). In addition, Pillutla and Murnighan (1996) argued that, “Respondents who perceive ultimatum offers as unfair may also feel anger and, if they do, they are likely to act spitefully and reject an economically valuable offer” (p. 208). In contrast, research on persuasion tactics suggests that ingratiation and positive behaviors may help attain desirable outcomes by getting the target in a good mood and by making the person think favorably about themselves (e.g., Falbe & Yukl, 1992; Kipnis, Schmidt, & Wilkinson, 1980; Yukl & Falbe, 1990). In our context, this would suggest that people may be more likely to accept the terms of an offer when it is presented with a friendly display of positive emotion rather than an insisting negative display of emotion.

Hypothesis 1. Negotiators will be less likely to accept an offer when the focal negotiator displays negative emotion and more likely to accept an offer when the focal negotiator displays positive emotion.

We also predict that a negative display of emotion will adversely influence the maximum dollar amount that a responding negotiator would be willing to pay. Willingness to pay is based on one’s reservation price, which represents a negotiator’s minimum or maximum acceptable settlement price within a current negotiation taking into account alternatives and transaction costs (Raiffa, 1982). For respondents to an ultimatum, it represents the most the target is willing to pay and, given the absence of a clear alternative, could be influenced by the strategic emotional approach of the focal negotiator. According to Pillutla and Murnighan (1996), when a focal negotiator presents an offer and strategically displays negative emotion, the responding target negotiator may react spitefully and reduce the amount that they are willing to pay to make a deal. Thus, we make the following hypothesis.

Hypothesis 2. Negotiators who respond to an offer extended by a focal negotiator displaying negative emotion will be less willing to pay a demanded settlement price than negotiators who respond to an offer extended by a focal negotiator who displays positive emotion.

We further predict that willingness to pay will mediate the influence of strategic emotional approach on acceptance or rejection of the offer. The target’s willing-

ness to pay may help to explain the relationship between strategic display of emotion and outcomes.

Hypothesis 3. A negotiator’s willingness to pay will mediate the effect of the emotional strategy on acceptance rates such that a negotiator facing a focal negotiator displaying negative emotion will be willing to pay less and therefore will be less likely to accept the offer.

Methods

Participants

A total of 282 executive MBA students participated as a part of a negotiation course. Individual participants were assigned randomly to one of the three conditions: positive ($N=95$), negative ($N=96$), or neutral ($N=91$) emotional display. One participant in the negative condition did not complete the questionnaire and was subsequently dropped from the analysis.

Task and procedure

The task used for this study involved an ultimatum bargaining situation, in which the focal party (proposer) presented the recipient with a take-it-or-leave-it offer, which the recipient (target) had to either accept or reject. Ultimatums differ from negotiations in that the recipient cannot make a counteroffer (for a review on ultimatum bargaining see Roth, 1995). Because all target negotiators received an objectively equivalent offer that only differed in the strategic emotional approach, differences in outcomes could be attributed to the strategic emotional display in this bargaining situation.

Furthermore, we created an ambiguous BATNA (best alternative to the negotiated agreement, Fisher, Ury, & Patton, 1991) to introduce a degree of uncertainty in the mind of the target so that the decision whether to accept or reject the offer could be swayed by the emotional display of the offer. On one hand, because there was no definite BATNA, the target negotiators had to seriously consider any deal proposed by the focal negotiator. On the other hand, the presence of an ambiguous BATNA provided some latitude for rejection of the offer that could be attributed to the strategic emotional approach. Thus, based on the emotional display of the proposer, the recipient negotiator could interpret the likelihood and attractiveness of the BATNA differently, which could subsequently influence his/her final decision.

Finally, we examined a wedding context that by its nature would lend itself to emotion. Within the context of an inherently exciting wedding arrangement, our choice of a service provider also was intentional. We assumed that an industry where customer satisfaction is vital would further make emotions salient (e.g., Oliver, 1997).

Participants were provided a half-page of written background information concerning the catering service under consideration for their upcoming wedding. The

negotiation concerned the financial arrangements for the catering company. Participants were told to assume the role of the person getting married and that they would soon “meet” with the business manager of the catering company they had considered for their wedding. The business manager of the catering company had given them a good faith estimate of \$14,000 several months ago to provide catering service for their wedding reception. The background information also mentioned an alternative catering company that would be available on their wedding date. However, participants were told that they did not have direct contact with that company, nor did they fully trust the person who recommended it. Finally, participants were told that their goal was to finalize the catering arrangements with the business manager at the upcoming meeting.

When participants finished reading the background information, the experimenter told participants that they were going to meet with the manager of the catering company and then played a 2-min videotape. Participants were seated at business desks to watch the film, which was shown on an 8' × 8' screen. Participants viewed one of three versions of the offer corresponding to the strategic emotional display by a professional actor playing the role of the business manager. In the videotape, the business manager explained that the price of the reception increased from \$14,000 to \$16,995 due to market price fluctuations. The business manager ended the meeting by stating that another couple was interested in the same date, indicating that if the participant did not sign the contract immediately this option would no longer be available.

There were three versions of the videotape, each representing one of the three strategic emotional approaches. The content of the message was the same in each condition; however, the facial expressions, tone of voice, and demeanor differed in each condition (cf., Thompson & Kim, 2000). In the positive emotional display condition, the business manager in the videotape spoke with a friendly tone, smiled often, nodded her head in agreement, and appeared cordial and inviting. In the negative emotional display condition, the business manager spoke antagonistically, appeared intimidating, and was insistent. In the neutral emotional display condition, which served as a benchmark condition, the business manager used an even and monotonic voice, displayed little emotion, and spoke in a pragmatic manner. Otherwise, the content of the conditions, terms, and precipitating events were identical across the three versions.

After viewing the videotape, participants were given a form that looked like the actual business contract in the film, which asked them to either accept and sign the proposed invoice at \$16,995 or to reject the invoice. Once participants made their decision to accept or reject the offer made by the business manager they were asked to complete a “Customer Satisfaction” survey that served as a manipulation check. Following this, participants

were asked the following: (1) Did you accept the offer and sign the attached invoice (Yes/No)? and (2) What is the most you would pay before walking away?

Measures

Manipulation check. The customer satisfaction survey was used as a manipulation check for the displayed emotions of the videotaped business manager. The manipulation check measure included ratings of how friendly, insistent, and rational the manager was during the meeting. Each item was rated on a 7-point Likert scale, anchored by 1 (*not at all*) and 7 (*very much*).

Outcome measures. The acceptance or rejection of the offer was a dichotomous variable. The most the target negotiator would be willing to pay was a continuous variable.

Mediation analysis

We used the bootstrap framework and mediation procedures recommended by Shrout and Bolger (2002) to test the predicted mediation in Hypothesis 3. Bootstrapping is a non-parametric approach and involves “re-sampling” the data many times to generate an empirical estimate of the sampling distribution of a statistic. The bootstrap works well when it is likely that a sample is not normally distributed such as the skewed distribution that occurs in the distribution of indirect effect estimates that is used in mediation testing (MacKinnon, Lockwood, & Hoffman, 2002).

According to Shrout and Bolger (2002), the bootstrap distribution of the indirect effect, $\underline{a} \times \underline{b}$ (where \underline{a} is the path from X , a predictor variable, to M , a mediator and \underline{b} is the path from M to Y , an outcome variable) is constructed in the following way. First, using the original data set, a bootstrap sample of N persons is created by randomly sampling observations with replacement from the original data set. The bootstrap sample will have the same size N as the original sample. Second, the product of the estimates \underline{a} and \underline{b} of the bootstrap sample is calculated and saved to a file. Then, steps 1 and 2 are repeated for a total of J times, where J is a large number, usually at least 1000 to estimate confidence intervals (Efron & Tibshirani, 1986). Next, a percentile confidence interval for the indirect effect in mediation is computed using the following formula, $(\underline{a} \times \underline{b}) \pm s_{ab} z_{\alpha/2}$, where s_{ab} is the approximate standard error for the indirect effect $\underline{a} \times \underline{b}$ and $z_{\alpha/2}$ is equal to the constant 1.96. When the confidence interval does not include zero mediation has occurred. We used PLS (Chin, 2001), a statistical software package, to generate the bootstrap samples.¹

¹ In addition to the bootstrapping technique, we also used the influential mediation procedure originally proposed by Baron and Kenny (1986) and later updated by Kenny, Kashy, and Bolger (1998) to test the predicted mediation. The results were consistent with that of the bootstrapping technique.

Results

Manipulation check

The manipulation check revealed the emotional display manipulations were effective. Participants were more likely to evaluate the manager in the videotape as friendly in the positive ($M=4.88$, $SD=1.76$) than in the neutral ($M=2.38$, $SD=1.33$) and negative emotional display conditions ($M=1.28$, $SD=0.59$; $F(2,270)=182.65$, $p<.001$). Planned comparisons showed that the positive condition differed significantly from both the neutral ($t(270)=10.71$, $p<.001$) and the negative condition ($t(270)=7.12$, $p<.001$). Participants were more likely to evaluate the manager as insistent in the negative ($M=5.49$, $SD=2.04$) than in the positive ($M=4.87$, $SD=1.63$) and neutral emotional display conditions ($M=4.86$, $SD=1.83$; $F(2,270)=3.58$, $p<.05$). Planned comparisons showed that the negative condition significantly differed from both the positive ($t(270)=-2.30$, $p<.03$) and the neutral ($t(270)=-2.20$, $p<.03$) conditions. Planned comparisons also revealed that participants were more likely to evaluate the manager as rational in the neutral emotional display condition ($M=4.03$, $SD=1.67$) than in the negative condition ($M=2.85$, $SD=1.90$; $t(268)=4.47$, $p<.001$) but, just as in Experiment 1, neutral emotional display did not significantly differ from the positive emotional display ($M=4.04$, $SD=1.59$; $t(268)<1$, *ns*). The overall ANOVA that compared the evaluation of the neutral manager in the three conditions was significant ($F(2,268)=14.65$, $p<.001$). The results of the positive emotional display manipulation check and the negative emotional display manipulation check suggest that participants did not consider the neutral business manager to be overly positive or overly negative. Accordingly, we considered the neutral emotional display condition to be a baseline or benchmark condition.

Reactions to the ultimatum

The dependent variable was the target's decision to either accept or reject the offer made by the business manager. Hypothesis 1 predicted the effects of strategic emotional display on outcomes, specifically whether or not participants accepted the ultimatum proposed by the business manager. In support of our hypothesis, there was a significant effect of emotional display on acceptance of the offer, such that participants were significantly less likely to accept the proposal offered by the business manager displaying negative emotion ($M=26\%$), than were participants who received the same deal offered by the business manager displaying positive emotion ($M=53\%$) or the neutral business manager ($M=56\%$; $\chi^2(2, N=281)=20.13$, $p<.001$). The positive and neutral conditions did not significantly differ from each other ($\chi^2(1, N=186)=0.28$, *ns*). See Table 1 for frequencies of acceptance rates by conditions.

Table 1

Frequencies of acceptance versus rejection by strategic emotional display (Experiment 2)

Outcome	Positive	Neutral	Negative	Total
Accept	50 _a	51 _a	25 _b	126
Reject	45 _a	40 _a	70 _b	155
Total	95	91	95	281

Note. Subscripts indicate significant differences between groups.

Hypothesis 2 tested the influence of emotional condition on willingness to pay and was also confirmed. The overall ANOVA was significant ($F(2,249)=11.16$, $p<.001$) and planned comparisons showed that when asked, "What would be the most you are willing to pay," participants who viewed the business manager displaying negative emotion were willing to pay substantially less ($M=\$14,618$, $SD=\$3618$) than did those participants who viewed a positive ($M=\$16,136$, $SD=\$2754$; $t(249)=3.47$, $p<.001$) or neutral ($M=\$16,624$, $SD=\$1924$; $t(249)=4.49$, $p<.001$) display of emotion.

Hypothesis 3 argued that the target's willingness to pay would mediate the effect of strategic emotional approach on the likelihood of acceptance and was confirmed. The mean for the bootstrap estimate which measured the path from emotional condition to target's willingness to pay times the path from target's willingness to pay to acceptance of offer was 0.15 with an approximate standard error of 0.04. The confidence interval (0.07, 0.23) excluded zero, and thus we concluded that the target's willingness to pay mediated the relationship between strategic emotional display and acceptance of the offer.

Discussion

We predicted that negotiators who strategically displayed negative emotion would be less likely to achieve their objectives in a take-it-or-leave-it ultimatum bargaining setting than those who displayed positive emotion. In support of our hypothesis, the business manager was less effective when displaying negative emotion than either positive or neutral emotions. Negotiators responding to the positive display of emotion were twice as likely to sign a deal than negotiators responding to the negative emotional display. Thus, even though their alternatives were identical, target negotiators chose different courses of action as a result of the strategic emotional approach of the focal negotiator. In general, these results were consistent with the findings of Experiment 1, since both experiments indicated that the strategic display of positive emotion may be more effective than negative emotion with regard to retaining and embarking on a future business relationship.

Our process measure provided some insight about the psychological mechanism that underpins this effect. The results showed that negotiators who dealt with a

business manager strategically displaying negative emotion were less willing to pay an increased settlement price than were the negotiators who faced a positive or neutral emotional display. It suggests that negotiators who dealt with the negative manager may have had an uncomfortable and somewhat perverse experience that caused them to devalue the offer made by the manager. Though most negotiators rejected the offer and turned to an uncertain BATNA, a small, but significantly greater than zero, proportion of negotiators were willing to pay the premium charged by the negative business manager and accepted the offer. Future research could examine whether individual differences in preferences toward risk differentiate between negotiators who succumbed to demands of a negative negotiator and those who did not.

This experiment had several limitations. First, although the use of a professional actor displaying emotions in a videotaped manipulation offered more experimental control, this methodology created a unilateral display of emotion that introduced new boundary conditions. Participants were constrained in their ability to reciprocally influence the target negotiator through their own emotional display. Given the ultimatum setting, they were also constrained in the role of responder and their range of responses was limited to a dichotomous decision of accept or reject. Finally, the manipulation check was restricted to a single-item response which lessens the reliability of the manipulation. To address these limitations, the next experiment used the same positive, negative, and neutral emotional display manipulation videos, and tested these manipulations with 3-item or 4-item composite measures. Furthermore, the role of participants was changed from responder to demander.

Experiment 3

In Experiment 3, we examined the effect of positive, negative, and neutral display of emotions in a distributive setting. Similar to Experiment 2, negotiators faced a business manager strategically displaying emotions; however, in this experiment the participants played the role of “demander” rather than “responder.” This change allowed participants to actively engage in the negotiation process by making a counteroffer that reflected their own demands, in contrast to simply accepting or rejecting an ultimatum offer. It also provided a test of the potential advantages of displayed negative, in contrast to positive, emotion.

Although a negative and demanding negotiator may seem unreasonable, risky, reckless, or seemingly out of control, a negative emotional display can be highly judicious and calculating (Thompson et al., 2001). In Schelling's (1960) discussion of political deterrence, he described how threats can be viewed as either “hot-headed or cool-headed activities” (p. 16). He also dis-

cussed how “administering a punishment *until* the other acts, rather than *if* he acts” (p. 196) can be effective. In a business transaction, the implication is that a credible threat of “no sale” (turning to one's BATNA) can compel the other party to concede to a less favorable price, even if an outcome of “no sale” has a chance of hurting both sides. Frank (1988) similarly pointed out that a threat that is coupled with an irrational appearance can be an effective sales technique. He noted that, “It is the expression on his face that really makes his [the salesmen's] point” (p. 55) and leads people to buy something they had no intent of purchasing. Furthermore, aggressive threats may lead to concessions if the other party fears that a “barking dog might bite”; or as Frank puts it: “a rival with a deep croak ‘intends’ to fight if challenged.” (p. 98)

Thus, negative emotion coupled with clear demands can lead to a competitive advantage in negotiations, as long as the commitment or threat made during an emotional outburst is credible. Since the initial offer made by the focal negotiator in the negotiation scenario simulated in this study ended with a credible threat to turn to the next customer in line, we suggest that when coupled with a negative display of emotion, the demand of a higher price (albeit due to external market price fluctuations) will be more effective. Therefore, it is possible that when facing a business manager displaying negative emotion along with a demand in price, negotiators will be more likely to concede. On the other hand, results from Experiment 2 suggest that the display of negative emotion may be less effective than that of positive emotion when attempting to secure a deal presented as a take-it-or-leave-it offer. Experiment 2 thus suggests that negotiators will be more likely to yield to the requests made by a demanding positive opponent than to the requests made by a demanding negative opponent. The question boils down to whether “you can catch more flies with honey” or whether “the squeaky wheel gets the grease,” which leads to the following competing hypotheses.

Hypothesis 1a. Target negotiators will be more likely to concede to focal negotiators who display negative emotion than those who display positive emotion.

Hypothesis 1b. Target negotiators will be more likely to concede to focal negotiators who display positive emotion than those who display negative emotion.

To better understand the impact of strategic emotions on negotiation behavior, we also assessed the degree to which the negotiators were concerned about the negotiated outcome. Experiment 1 results revealed that when interacting with a negative opponent, negotiators may have devalued future outcomes. This suggests that when facing a negative opponent, negotiators may not be overly concerned about whether their own demands

(i.e., counteroffer) is accepted or rejected. Thus, if negotiators facing a business manager displaying negative emotion are either insulted by the negative tone, or if the negative emotions are transferred to the other party via emotional contagion (Hatfield et al., 1992), they may become insensitive to whether the other party actually accepts or rejects their counteroffer.

Hypothesis 2. Target negotiators will be less concerned about the outcome when facing a focal negotiator displaying negative emotion in contrast to positive or neutral emotion.

Methods

The negotiation task used in Experiment 3 was the wedding scenario described in Experiment 2. The procedure differed on three dimensions: (a) the communication medium, (b) a change in the participant's role, and (c) the dependent variable. First, instead of being seated at business desks and completing the negotiation task using paper and pen, participants in this study completed the negotiation task via the Internet. An online survey was created that included instructions, background information, the video vignette (a business manager conveying the same information displaying strategically positive, negative, or neutral emotion), and a post-vignette questionnaire. The online survey randomly assigned one of the three versions to each of the participants. Second, the role of the participant changed in this negotiation from the role of a "responder" in Experiment 2 to the role of "demander." By study design, participants in Experiment 2 could only respond to the actions of the business manager and either accept or reject the ultimatum offer presented to them. Experiment 3 allowed the participant to actively partake in the negotiation process by making a counteroffer. By giving participants the role of demander and the ability to make a counteroffer, it gave the business manager power to reject the counteroffer and hurt both sides (no deal) or accept the counteroffer and come to a mutually agreeable outcome. Participants were told that the business manager would either accept or reject the counteroffer; however, acceptance or rejection by the business manager was randomly assigned to the participants by a function in the online survey. Participants were appropriately debriefed. The third parameter that differed was the dependent variable (counteroffer).

Participants

Participants were MBA students enrolled in a negotiation course at a university located in the midwestern US. The 82 participants were randomly assigned by the online program (which accounts for the unbalanced cell sizes) to one of the three conditions: (1) positive ($N=29$), (2) negative ($N=30$), (3) or neutral ($N=23$).

Measures

Manipulation check. To ensure that the strategic emotional approach of the business manager depicted in the video was successful, we created composite measures to assess emotional display. Four items measured positive emotional display, including friendly, cooperative, constructive, and empathic (Cronbach's $\alpha=0.86$). Four items measured the display of negative emotion, including emotional, angry, aggressive, and vindictive (Cronbach's $\alpha=0.80$). Three items measured neutral emotional display, including rational, analytical, and logical (Cronbach's $\alpha=0.71$). Items were measured on a 5-point Likert-type scale anchored by 1 (*strongly disagree*) and 5 (*strongly agree*). Thus, a high score on the composite measures indicated that the participants perceived the business manager to display the respective emotional strategy.

Outcome concern. After the participants made their counteroffer, but before they were informed that their counteroffer was rejected or accepted, participants answered the question, "How disappointed would you be if your counteroffer was rejected?" Participants responded using a Likert-type scale anchored by 1 (*not at all*) to 7 (*very disappointed*). A high value indicated a high concern for the outcome.

Counteroffer. The dependent variable was the counteroffer made to the business manager by the participants. The respondents' counteroffer amount was coded as 0 if the amount was less than or equal to \$14,000 and 1 if the amount was greater than \$14,000. When run as a continuous variable, the same pattern of results emerged. In the videotape, the business manager explained that the price of the reception increased from \$14,000 to \$16,995 due to market fluctuation. Thus, a counteroffer of \$14,000 or less would indicate that the respondent was not willing to yield and not willing to make concessions. A counteroffer of more than \$14,000 would indicate that the respondent was more willing to negotiate how to split the increase of \$2,995 between themselves and the business manager. It was coded as a dichotomous variable to capture whether or not a concession was made.

Results

Manipulation check

The manipulation check confirmed that both the positive and negative display of emotions were effective. Participants who were assigned to the positive emotional display condition ($M=3.22$, $SD=0.68$) evaluated the business manager to be more positive than did the participants in the neutral ($M=2.30$, $SD=0.76$) or the negative conditions ($M=1.61$, $SD=0.60$; $F(2,79)=41.61$, $p<.001$). Planned comparisons demonstrated that the positive condition responses differed significantly from

the neutral condition ($t(79)=4.81, p<.001$) and the negative condition ($t(79)=9.58, p<.001$). The negative emotional display manipulation also was successful. Participants who viewed the business manager displaying negative emotion ($M=3.39, SD=0.72$) evaluated the business manager to be more negative than did participants who viewed the neutral ($M=2.15, SD=0.60$) or positive business manager ($M=2.41, SD=0.61$; $F(2, 79)=28.47, p<.001$). Planned comparisons demonstrated that the negative condition differed significantly from the neutral condition ($t(79)=-6.92, p<.001$) and the positive condition ($t(79)=-5.87, p<.001$). Consistent with Experiment 2, planned comparisons showed that participants who viewed the neutral display of emotion perceived the business manager to be as rational, logical, and analytical ($M=3.07, SD=0.84$) as those in the positive condition ($M=3.05, SD=0.84$; $t(48)<1, ns$) and also did not differ from the negative condition ($M=2.78, SD=0.85$; $t(48)=1.26, ns$). The overall ANOVA was not significant ($F(2, 79)=1.08, ns$). However, given that the manipulation check for the strategic positive and negative emotional display indicated that participants did not consider the neutral business manager to be overly positive or negative, the neutral condition serves as an appropriate baseline condition.

Counteroffers. Hypothesis 1 presented competing hypotheses. Hypothesis 1a predicted that negotiators would be more likely to concede to negotiators who displayed negative emotion. Hypothesis 1b predicted they would be more likely to concede to a focal negotiator who displayed positive emotion. Hypothesis 1b was supported. Only 13% of the participants in the positive emotional display condition made counteroffers that were equal to \$14,000 or less; whereas 52% of the participants in the negative emotional display condition made counteroffers equal to \$14,000 or less ($\chi^2(1, N=58)=9.47, p<.01$). In the neutral condition, 22% of the negotiators made counteroffers equal to \$14,000 or less which significantly differed from the negative emotional display condition ($\chi^2(1, N=52)=4.87, p<.03$). See the frequencies for the counteroffers in Table 2.

Outcome concern. Hypothesis 2 predicted that in the negative emotional display condition negotiators would have lower outcome concern than in the positive emotional display condition. Hypothesis 2 was confirmed.

Table 2
Frequencies of counteroffers by strategic emotional display condition (Experiment 3)

Outcome	Positive	Neutral	Negative	Total
Counteroffer < or = \$14,000	4 (14%)	5 (22%)	15 (52%)	24 (30%)
Counteroffer > \$14,000	25 (86%)	18 (78%)	14 (48%)	57 (70%)
Total	29	23	29	81

Participants who faced a business manager displaying negative emotion ($M=3.03, SD=1.50$) were less likely to be concerned about the outcome than were participants who faced a business manager displaying positive emotion ($M=4.11, SD=1.32$; $t(78)=2.97, p<.01$) and the overall ANOVA was significant ($F(2, 78)=4.43, p<.02$). The neutral emotional display condition ($M=3.74, SD=1.37$) did not differ significantly from the negative ($t(78)=1.82, p<.08$) or the positive emotional display conditions ($t(78)<1, ns$).

Discussion

The main findings of Experiment 3 indicated that when negotiators were given the opportunity to make demands, they made more extreme demands and were less concerned about whether these demands would be rejected, when facing a negotiator strategically displaying negative rather than positive emotion. That is, rather than conceding to the demands of the business manager displaying negative emotion, negotiators mirrored this strategy by making extreme counteroffers. Counteroffers were not only lower in the negative than in the positive emotional display condition, they were also more likely to be below the initial quote suggesting not only that the offer was devalued, but negotiators made a low ball counteroffer that may have symbolized an act of spite. Rather than creating a strategic advantage by gaining concessions from the other party, the strategic display of negative emotion by a skilled negotiator (a professional actor) led to what could be interpreted as the foundation of a conflict spiral. Of course, this experiment has some limitations. Similar to Experiment 2, the social relationship is artificially constrained by the use of a videotaped manipulation. Furthermore, both experiments link emotions to a professional setting—the service industry—that may prime and therefore favor positive emotional display. It may be that negative emotional display is advantageous when the focal negotiator's role is that of a bill collector or a criminal investigator (Rafaeli & Sutton, 1991; Sutton & Rafaeli, 1988), where negative emotions are expected and considered appropriate. Finally, there may be a cultural bias, given that all participants in this experiment were from the US where display of negative emotion is considered unprofessional. In other cultures, for example Israel, display of negative emotion may be normative and actually expected in a wider array of professional settings (Rafaeli, Fiegenbaum, Maw-Der, & Hwee-Hoon, 2005).

General discussion

This study examined the effect of strategic display of emotions on both economic and relational outcomes. All three experiments highlighted the advantage of

behaviorally displaying positive in contrast to negative emotions. In a dispute setting, negotiators strategically displaying positive emotion were more likely to reach an interest-based agreement that included parameters for a continued future business relationship. In an ultimatum setting, negotiators who strategically displayed positive emotion were more likely to persuade their opponents to accept their offers and close a deal. In a distributive negotiation setting, negotiators strategically displaying positive emotion were better able to extract concessions from the opposing party.

We acknowledge that the ineffectiveness of strategic display of negative emotion in the current study may have occurred because of the following limitations of the experimental design: (a) the particular business contexts chosen for the negotiation tasks (e.g., small scale business dispute in Experiment 1 and the service industry and role in Experiments 2 and 3), (b) the type of negotiation (e.g., dispute versus deal-making and ultimatum setting), and (c) the manner in which emotions were displayed, including the lack of control for whether the displayed emotions were interpreted as genuine or feigned.

First, the context of the negotiations in these studies may pose a threat to the external validity of the findings because of the link between the type of service provided and the behavior that was modeled by the emotional display. In a dispute setting, such as in Experiment 1, negotiators may tend to respond favorably to positive emotion because when settling a one-on-one interpersonal dispute between business partners in a relatively informal setting, positive emotions are likely expected. If, however, the dispute occurred between multiple corporate groups in a more formal setting, strategic display of negative emotion may have led to more favorable outcomes. Furthermore, in the service industry (Experiments 2 and 3) and specifically with regard to a wedding caterer, negotiators may be less likely to sign a deal with a service provider who displays negative emotion as compared to industries where there is less emphasis on social interaction. In addition, had the service seeker displayed negative emotion as opposed to the service provider, a different pattern of results may have emerged. We note that a significant number of the participants in Experiment 2 did accept the offer and thus were willing to work with a catering manager who displayed negative emotion. It may be that they differentiated between the role of the manager who coordinated the event and the hired staff who they expected would display appropriate positive emotion as they served the wedding guests. Alternatively, there may be cultural differences in what is considered appropriate emotional display. New Yorkers may not be intimidated and may actually prefer authentic display of negative emotion that could, for example, signal efficiency and effective follow-through; whereas in the Midwest it may be interpreted as rude and unprofessional.

Second, we chose to evaluate our hypotheses in interactive dispute resolution and ultimatum bargaining settings. However, deliberate emotional display also should be tested in integrative settings. When focusing on interest based and integrative tactics a display of positive emotion may strengthen the impact of a negotiator's strategy. At key moments during a mixed-motive negotiation, however, display of negative emotion may prove effective if judiciously implemented. Third, although our manipulation check was confirmed for both positive and negative emotional display, the effect of emotion may differ when it is judged to be genuine versus feigned and future research should control for perceived authenticity.

Despite these limitations, in addition to highlighting the effectiveness of positive emotional display on negotiated outcomes, this study also provided some insights into the influence of emotional display on social interactions in negotiations. An important contribution to the negotiation literature is the actual feasibility of strategically displaying emotions. The manipulation check in Experiment 1 confirmed that novice negotiators effectively displayed emotions that led to the emergence of positive or negative emotional contagion. Interestingly, the degree to which displayed emotions were accurately judged by the other party was contingent on the type of emotion. When negotiators displayed positive emotion, the opposing party accurately judged the emotional display as positive—that is, there was congruence between what the focal negotiator believed she displayed and what the target negotiator judged. However, when negotiators displayed negative emotion the negotiator believed she was more negative than judged by the opposing party. This pattern suggests that when negotiators choose to strategically display negative emotion they may be likely to overestimate the extent to which their displayed emotion is detectable by others. Alternatively, they may have been overconfident in their ability to display negative emotion, perhaps experiencing more emotion than they actually displayed. Similar to situations where negotiators are egocentric with respect to their cognitive or behavioral abilities (Babcock, Lowenstein, Issacharoff, & Camerer, 1992), our findings suggest that negotiators also may over-interpret their emotional experiences in a way that is self-serving. We call this *emocentrism*. The concept of an emocentric negotiator, who has a biased appraisal of his or her strategic emotional abilities, merits further investigation.

Another important direction for future research is to deconstruct the more general categories of positive and negative emotional display and test the impact of discrete positive or negative emotions on both negotiation process and outcomes. Specific emotions that can be detected in facial expressions such as happiness, surprise, anger, sadness, fear, and disgust/contempt (Ekman, 1972) might be good starting points. Further, the boundary conditions and situational factors that

moderate their effectiveness promise fertile ground for future research on display of emotions in interactive settings. Recent work by Sinaceur and Tiedens (2005) has taken the first step in this endeavor by examining the effect of strategic anger display in mixed-motive interactive negotiations. Whether discrete emotions are judged as authentic or contrived may influence their impact on economic and relational outcomes.

The nexus between the display of positive and negative emotion is also an interesting direction for future research. In our study, we did not pit different emotional strategies against each other in the same dyad. Contrasting emotional strategies, for example, a happy negotiator who faces an angry negotiator, may have a surprising impact on the negotiation process (does contagion of one emotion outweigh the other?) and negotiation outcomes. Thus, the influence of emotional display may be contingent on the interaction between different types of emotions. Also, convincing strategic emotions may be shrewdly and advantageously aligned with other negotiation strategies such that emotions may moderate the effect of invoking interest, right, or power based persuasion tactics. Furthermore, future research will need to address questions such as: What are the boundary conditions for displaying emotions? Can negotiators as easily display chronic manifestation of one emotion and alternate between contrasting emotional displays? Are there short-term or long-term social costs to feigning emotions and do ethical concerns outweigh the potential benefits? A recent theoretical paper proposes a social interaction model of how emotion regulation may impact work strain (Coté, 2005), but the ethical considerations have yet to be addressed.

Virtually any manager or executive will vehemently acknowledge that emotion and mood are central in even the most routine negotiation situations. However, the field of negotiation has, for over two decades, focused nearly exclusively on cognition. The recent renewal of interest in affect promises to bring emotion back into the most central of management activities: negotiation. With the tide of much research in all areas of management focusing on emotion, mood, and social relationships, the movement away from models exclusively focusing on cognitive factors presents uncharted territory for the scholar. What our study suggests is that when negotiators display emotions, they need to consider how the strategic display of emotions will influence the other party's own emotions, cognitions, and behaviors. Researchers must distinguish between best practices that work in all situations and strategic practices that work well in some and poorly in others (Allred, 2000) and focus not only on how displayed emotion influences the outcomes of negotiation as measured by traditional economic indices, but also how emotion impacts the relationships that develop between negotiators.

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Appendix A. Manipulations of strategic emotional display in Experiment 1

A.1. Expert negotiation advice: Developing a positive bargaining style

A.1.1. Use positive emotion

Effective negotiation requires creative information processing and it is positive, rather than negative emotion that instigates such cognitive processing (Forgas, 1998). When people are experiencing a positive mood, they are more creative (Isen et al., 1987).

A.1.2. Leave the other party feeling good

...positive feelings in opponents benefit future negotiations with them. ...if an opponent leaves the negotiation feeling good about the process and the outcome, that person will be likely to engage in a cooperative fashion in subsequent negotiations and to fulfill the terms of the current contract. ...An opponent who feels good about a negotiation may speak highly of [the negotiator] and portray the negotiator as fair and cooperative (Thompson et al., 2001).

A.1.3. Avoid hostility

...hostility in a negotiation may breed further hostility that can spiral out of control (Thompson et al., 2001).

Once an attack-defense cycle gets going the parties queue up to get their thrust in. The faster the attacks, and their replies, the higher the emotional tension. People in an emotional state make threats, not necessarily intending to carry them out, but threats provoke counter-threats and the parties may end up in a mutual exchange of sanctions because they boxed themselves into corners from which a retreat would [seemingly] cost too much... The consequence is that parties get nowhere except further apart which is the antithesis of negotiating" (Kennedy, Benson, & McMillan, 1980).

A.1.4. Create positive relationships

Whereas this may seem completely obvious, it is much easier said than done. People in disputes often become angry or act too detached and business-like.

Therefore, it is important to begin negotiations by focusing on the relationship you have with the other party and attempt to create positive atmosphere—no matter what your opponent does...Take a few moments to focus on and accentuate the positive aspects of your relationship if you find yourself deviating from a constructive approach.

A.1.5. Reframe from “You against Me” to “We”

A simple and powerful way to reframe the situation from “you” or “me” to “we” is through body language. When people argue, they usually stand or sit face-to-face, physically expressing their confrontation. So find a natural excuse to sit side by side. Pull out a document or proposed agreement and sit down next to your counterpart to review it...Talking side by side will not magically transform the situation, but it will reinforce the idea that you are partners facing a tough challenge together (Ury et al., 1988).

A.2. Expert negotiation advice: Developing a resolute bargaining style

A.2.1. Be persistent

Most people are not persistent enough when negotiating. They present something to the other side, and if the other side does not ‘buy’ it right away, they shrug and move on to something else. If that is a quality you have, I suggest you change it. Learn to hang in there. You must be tenacious (Cohen, 1980).

A.2.2. Be committed to your beliefs

Passionate commitment is the ability to convince the other party that you feel deeply and strongly about your own claim...To the extent that you can convince the other party that you will follow through with what seems to be an extreme course of action, the more likely you are to attain your goals...Do not hesitate to use the power of emotion and drama at critical junctures in the negotiation.

A.2.3. Begin with extreme positions

To the extent that a person makes what is perceived as an outlandish, ridiculous request, he or she is more likely to secure agreement to a following, smaller request. When two different requests are compared, one extreme and the other modest, the second request is perceived to be much more reasonable than if only the second request were made in isolation (Cialdini, 1993).

A.2.4. Employ negative reinforcement

If the radio is playing obnoxious, unpleasant music, most people will turn the radio off. Similarly, since most people find it unpleasant to be around someone who is openly hostile and negative, they may be willing to give the person what he or she wants just to remove them-

selves from the aversive situation (Thompson et al., 2001).

A.2.5. Be tough

Signal toughness throughout the negotiation so that the opponent will respect your position. Negotiators who make fewer concessions and make smaller concessions are indeed more effective in terms of maximizing individual gain compared to those who make larger and more frequent concessions (Siegel & Fouraker, 1960).

A.3. Expert negotiation advice: Developing a rational bargaining style

A.3.1. Control your emotional display

Even though a negotiator may feel emotion, he or she should not express it. The negotiator who expresses relief, satisfaction, and/or approval risks settling for a worse outcome than does a rational (poker-faced) negotiator (Thompson et al., 2001).

...People in an emotional state do not want to think, and they are particularly susceptible to the power of suggestion from a clever opponent... [an] excitable person is putty in the hands of a calm, even-tempered negotiator... (Nierenberg, 1968).

A.3.2. Make strategic decisions

The aspect of negotiation that an executive can control most directly is how he or she makes decisions. The parties, the issues, and the negotiation environment are often beyond [the negotiator’s] control. Rather than seeking to change them, you must improve your ability to make effective, more rational decisions—to negotiate smarter (Bazerman & Neale, 1992).

A.3.3. Be professional

Conduct yourself in a professional, dispassionate fashion; consider [the negotiation] to be a business meeting—no matter how the other party approaches the situation.

A.3.4. Develop rational strategies

The desire to ‘win’ at any cost should not preempt a rational negotiation strategy. Misdirected persistence can lead to wasting a great deal of time, energy, and money. Directed persistence can lead to commensurate payoffs. Rational analysis enables you to distinguish between the two (Bazerman & Neale, 1992).

A.3.5. Think logically

It is important for disputants to recognize that emotions can overwhelm logic. In fact, people are sometimes trapped into acting against their own best interests, even when they recognize that they are doing so (Susskind & Cruikshank, 1987, p. 89).

One psychological and emotional pattern that emerges again and again is the dynamic of escalation. Once conflicts begin, the emotional levels of the participants tend to rise, and the situation becomes more and more difficult to defuse. ...As the conflict intensifies, they are less likely to listen seriously and think clearly. Unfortunately, such behavior on the part of one party merely encourages similar behavior by the other (Suskind & Cruikshank, 1987, p. 93).

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