

Do emotions belong at the bargaining table?

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Negotiators who want to achieve favorable outcomes at the bargaining table are well advised to remember the familiar adage: You catch more flies with honey than with vinegar.

According to a new study forthcoming in the *Journal of Organizational Behavior and Human Decision Processes*, negotiators who strategically display positive rather than negative emotions are more likely to preserve valuable business relationships, gain concessions and persuade opposing parties to accept their offers, and thus, more frequently close deals.

"Emotions constitute a deliberate behavioral strategy that can be used by negotiators in support of strategic action," said Shirli Kopelman, clinical assistant professor of management and organizations at Michigan's Ross School of Business. "Managers should consider focusing on their own emotional displays during negotiations because their responses may influence the opposing parties and subsequently shape the nature of the negotiated agreements."

In many settings, a friendly, cooperative, constructive and empathetic (positive) emotional strategy will elicit an entirely different response from opponents than an angry, aggressive, insistent and vindictive (negative) one, or the absence of emotion altogether, Kopelman said.

To investigate the impact of goal-directed emotional display on negotiation outcomes, Kopelman and colleagues Ashleigh Shelby Rosette of Duke University and Leigh Thompson of Northwestern

University conducted a series of laboratory experiments in which participants were coached to display positive, negative or neutral emotions in dispute situations.

In the first experiment, participants took opposing sides in a simulated face-to-face contract dispute between a condominium developer and a carpentry contractor in order to determine the impact of strategic emotions on short- and long-term conflict resolution. The 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 bankruptcy or legal battles.

However, negotiators who displayed positive emotions had a greater desire to preserve their business relationship by including future joint-business endeavors in negotiated contracts. Both positive and negative strategic emotions were perceived by other negotiators, but participants who displayed negativity tended to overestimate the intensity of their emotional display.

In a second experiment, participants responded to a take-it-or-leave-it ultimatum made by a professional actor posing as the business manager of a wedding-catering firm. The actor presented each emotional display through a videotaped offer for her catering services. Participants had the option of accepting or rejecting the firm's price hike when no future business relationship was at stake and they could simply walk away from the negotiations and hire a different caterer.

Analysis shows that negotiators were significantly less likely to accept the price-hike proposal when the business manager displayed negative, rather than positive, emotions. Likewise, target negotiators who viewed the video clip of the negative manager were inclined to pay substantially less for the catering service, and this affected their receptivity to her offer.

"Negotiators responding to the positive display of emotion were nearly twice as likely to sign a deal," Kopelman said. "This indicates that positive emotional display may be more effective in achieving objectives, as well as retaining and embarking on a future business relationship."

The third experiment allowed participants to engage in the negotiation process by making a counter-offer to the catering firm that reflected their demands, rather than simply accepting or rejecting an ultimatum offer. Findings reveal that when target negotiators were given the opportunity to make demands, they made more extreme demands and were less concerned about rejection when they squared off with a business manager strategically displaying negative, rather than positive, emotions.

They seemed to punish the caterer by counter-offering a value lower than the original offer, a spiteful response that may set the stage for a conflict spiral, the researchers said. In contrast, a business manager displaying positive emotions was better able to extract concessions from the opposing party and close the deal.

Source: University of Michigan

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