

SPOTLIGHT

ARTWORK Jack Sutherland, *Vitrine*
Acrylic on panel, courtesy of saatchiart.com





Alison Wood Brooks is an assistant professor at Harvard Business School. She teaches negotiation in the MBA and executive education curricula and is affiliated with the Behavioral Insights Group.

Emotion and the Art of Negotiation

How to use your feelings to your advantage by Alison Wood Brooks

I **T IS, WITHOUT QUESTION**, my favorite day of the semester—the day when I teach my MBA students a negotiation exercise called “Honoring the Contract.”

I assign students to partners, and each reads a different account of a (fictitious) troubled relationship between a supplier (a manufacturer of computer components) and a client (a search engine start-up). They learn that the two parties signed a detailed contract eight months earlier, but now they’re at odds over several of the terms (sales volume, pricing, product reliability, and energy efficiency specs). Each student assumes the role of either client or supplier and receives confidential information about company finances and politics. Then each pair is tasked with renegotiating—a process that could lead to an amended deal, termination of the contract, or expensive litigation.

What makes this simulation interesting, however, lies not in the details of the case but in the top-secret instructions given to one side of each pairing before the exercise begins: “Please start the negotiation with a display of anger. You must display anger for a minimum of 10 minutes at the beginning.” The instructions go on to give specific tips for showing anger: Interrupt the other party. Call her “unfair” or “unreasonable.” Blame her personally for the disagreement. Raise your voice.

Before the negotiations begin, I spread the pairs all over the building so that the students can’t see how others are behaving. Then, as the pairs negotiate, I walk around and observe. Although some students struggle, many are spectacularly good at feigning anger. They wag a finger in their partner’s face. They pace around. I’ve never seen the exercise result in a physical confrontation—but it has come close. Some of the negotiators who did not get the secret instructions react by trying to defuse the other person’s anger. But some react angrily themselves—and it’s amazing how quickly the emotional responses escalate. When I bring everyone back into the classroom after 30 minutes, there are always students still yelling at each other or shaking their heads in disbelief.

During the debriefing, we survey the pairs to see how angry they felt and how they fared in resolving the problem. Often, the more anger the parties showed, the more likely it was that the negotiation ended poorly—for example, in litigation or an impasse (no deal). Once I’ve clued the entire class in on the setup, discussion invariably makes its way to this key insight: Bringing anger to a negotiation is like throwing a bomb into the process, and it’s apt to have a profound effect on the outcome.

Until 20 years ago, few researchers paid much attention to the role of emotions in negotiating—how feelings can influence the way people overcome conflict, reach agreement, and create value when dealing with another party. Instead, negotiation scholars focused primarily on strategy and tactics—particularly the ways in which parties can identify and consider alternatives, use leverage, and

execute the choreography of offers and counter-offers. Scientific understanding of negotiation also tended to home in on the transactional nature of working out a deal: how to get the most money or profit from the process. Even when experts started looking at psychological influences on negotiations, they focused on diffuse and nonspecific moods—such as whether negotiators felt generally positive or negative, and how that affected their behavior.

Over the past decade, however, researchers have begun examining how specific emotions—anger, sadness, disappointment, anxiety, envy, excitement, and regret—can affect the behavior of negotiators. They’ve studied the differences between what happens when people simply feel these emotions and what happens when they also express them to the other party through words or actions. In negotiations that are less transactional and involve parties in long-term relationships, understanding the role of emotions is even more important than it is in transactional deal making.

This new branch of research is proving extremely useful. We all have the ability to regulate how we experience emotions, and specific strategies can help us improve tremendously in that regard. We also have some control over the extent to which we express our feelings—and again, there are specific ways to cloak (or emphasize) an expression of emotion when doing so may be advantageous. For instance, research shows that feeling or looking anxious results in suboptimal negotiation outcomes. So individuals who are prone to anxiety when brokering a deal can take certain steps both to limit their nervousness and to make it less obvious to their negotiation opponent. The same is true for other emotions.

In the pages that follow, I discuss—and share coping strategies for—many of the emotions people typically feel over the course of a negotiation. Anxiety is most likely to crop up before the process begins or during its early stages. We’re prone to experience anger or excitement in the heat of the discussions. And we’re most likely to feel disappointment, sadness, or regret in the aftermath.

Bringing anger to a negotiation is like throwing a bomb into the process, and it’s apt to have a profound effect on the outcome.