

2009 Russell Ackoff Doctoral Student Fellowship Proposal

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1. Project title and descriptive summary

Title.

“Anxiety and Negotiations: Early Exit and Unnecessary Concessions”

Overview.

For many people, the prospect and experience of negotiating induces anxiety (Wheeler, 2004). In this proposal, I develop a program of research to investigate the influence of anxiety on negotiations.

Prior work demonstrates that emotions powerfully influence negotiations. For example, people in positive moods are more likely to make concessions and use cooperative negotiation strategies. In fact, even the expression of emotions (i.e., *interpersonal emotion*) can significantly impact negotiator behavior (Van Kleef, De Dreu, & Manstead, 2004).

Surprisingly, however, prior research has neglected to study how anxiety influences negotiator behavior. The program of research outlined below fills this gap in the literature.

Research Questions.

I propose a series of experiments to describe the influence of anxiety on negotiations (see Table 1). Specifically, these experiments are designed to answer the following questions:

- How prevalent is anxiety in negotiations?
- To what extent does anxiety prompt negotiators to make concessions?
- To what extent does anxiety prompt negotiators to exit prematurely?
- What mechanism(s) underlie the effect of anxiety on early exit and concession making?
- Under what circumstances can anxiety improve decision-making in negotiations?
- Which anxiety coping or preventative strategies are most effective?

Work Completed.

I have already conducted two studies that demonstrate the feasibility of this program of research and underscore its import. The first was a pilot study that successfully induced anxiety (N = 80). The second study induced anxiety and measured exit in a simple bargaining game. We found that anxious participants were significantly more likely to exit prematurely than non-anxious participants (N = 180).

Table 1.

Topic	Description	Hypotheses	Status
Study 1: Anxiety manipulation check	Tested self-reported anxiety before and after watching a neutral vs. anxiety-inducing video clip	Anxiety-inducing video clip increases level of anxiety.	Completed.
Study 2: The effects of anxiety in a shrinking pie bargaining game	Induced neutral vs. anxiety, then subjects played a continuously shrinking pie game on computers. We measured exit decisions in the game to observe within- and between-subjects effects.	Subjects in the Anxiety condition exit the shrinking pie game earlier than subjects in the Neutral condition.	Completed.
Study 3: The effects of anxiety in a negotiation game	Induce neutral vs. anxiety, then subjects play a negotiation game on computers. We measure concessions made in the game to replicate within- and between-subjects effects as well as record self-report measures of risk aversion, social value orientation, pain, and other-regarding preferences to access underlying psychological mechanisms.	Subjects in the Anxiety condition make higher concessions and exit earlier than subjects in the Neutral condition.	To be completed by March, 2009.
Study 4: Mechanism Check	Whichever mechanism from Study 3 seems to drive the effect of anxiety on early exit, then we will test this mechanism in a different negotiation task.	TBD.	To be completed by summer, 2009.
Study 5: Anxiety and negotiations survey	Survey administered by a Research Assistant at 30 th Street Station (N = 200 subjects). We will survey anxiety caused by thinking about negotiating using vignettes and PANAS-X Fear scale.	Vignettes including a negotiation make subjects more anxious than non-negotiation vignettes.	To be completed by summer, 2009.
Study 6: When is Anxiety good?	Explore contexts in which anxiety may improve negotiation decisions (e.g., experienced population, following boredom)	TBD.	To be completed by summer, 2009.

References

- Van Kleef, G. A., De Dreu, C. K. W., & Manstead, A. S. R. (2004). The interpersonal effects of emotions in negotiations: A motivated information processing approach. *Journal of Personality and Social Psychology*, 87, 510-528.
- Wheeler, M. (2004). Anxious moments: Openings in negotiations. *Negotiation Journal*, April 2004, 153-169.

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