
Improving Negotiation Effectiveness with Skills of Emotional Competence

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For the last dozen years or so, the significance of emotional experience and expression in negotiation processes has garnered increasing attention by theoreticians and researchers alike. Whether the negotiations are occurring in business, in politics, in labor organizations, in legal settings, and even in therapeutic sessions in which married partners seek to resolve their conflicts or dissolve their unions, the emotions felt and expressed by the negotiators are now acknowledged as crucial to effectiveness and outcome. What I propose in this essay is to meld skills of emotional competence (e.g., Saarni 1999) with social exchange theory within a systemic-relational context. Some definitional content and my own theoretical assumptions follow.

Emotional Competence

The construct emotional competence was first introduced by the sociologist Steve Gordon (1989), and I subsequently deconstructed this

superordinate construct into its constituent skills that develop interdependently and are also very much tied to the emotionally evocative context (Saarni 1999). Emotional competence can be succinctly defined: It is the demonstration of self-efficacy in emotion-eliciting social transactions, but this brief definition belies its complexity. Self-efficacy essentially means that one possesses the capacity and confidence in one's abilities to reach one's goals (Bandura 1989), and goals in emotion-laden situations refer to the motivating aspects of the situation facing the individual in which various emotions are evoked (Lazarus 1991). Competence is judged relative to: (1) the cultural standards that are indicative of appropriate developmental mastery and maturity and (2) the functional adaptiveness of the individual's response (Campos et al. 1994) in a particular cultural and relational context. We experience emotions when we have a stake in the outcome of our encounter with the environment, and to make matters even more complicated, our appraisal of the environment may vary across several levels of conscious awareness. This means that we may respond emotionally to the environmental encounter in ways that are not deliberate, not rational, and without a conscious sense of volition. Indeed, most emotion processes operate without consciousness (Clore et al. 2005), although once we are experiencing the emotion itself, we are generally aware of our feeling state and tend to attribute it to something

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in the environmental encounter (but not always accurately). Table 13.1 presents the eight skills of emotional competence, and they may influence the negotiation process as well as the negotiators themselves.

Because of the unconsciousness of many processes in emotion generation, on occasion we will behave in ways, when examined in retrospect, that were not especially emotionally competent and did not serve our healthy self-interests adaptively in the *long run*. How should we understand such a contrary outcome? Using the concepts of declarative and procedural knowledge helps to explain how this might come about. Declarative knowledge refers to explicit concepts of *what* one knows, and procedural knowledge refers to *how* one tacitly applies what one knows. To illustrate, we can have explicit (declarative) knowledge of words that represent different emotions, but in a given instance, we may not be immediately aware of how we actually appraise an emotion-eliciting situation and respond to it with, for example, surprise versus happiness, fear versus anger, or sadness versus anxiety, among many other possible emotional reactions. That appraisal process, the subsequent regulation of the emotions themselves, and how one copes with the emotion-evoking situation are largely reflective of well-rehearsed procedural knowledge, which functions much like the application of nonconscious event scripts. In short, we do not always act in an emotionally competent manner if the situation facing us exceeds our resilience, our knowledge, and/or our coping capacity, and we may not even be aware of it until a later point in time.

From the standpoint of effective negotiation, emotional competence skills serve the negotiator, and such skills also influence the dynamic transactions that are part of the communication and interpersonal influence between negotiators (Saarni 2011). It is in this way that emotional competence and the *relational context* are inseparable. Now I elaborate on some of the theoretical assumptions of emotional competence and what we know about its development (further details are available in Saarni 1999, 2011 and Saarni et al. 2006). For a more extensive explanation of skills of emotional

Table 13.1 Skills of emotional competence

1. Awareness of one's emotional state, including the possibility that one is experiencing multiple emotions and, at even more mature levels, awareness that one might also not be consciously aware of one's feelings due to nonconscious dynamics or selective inattention
2. Skills in discerning and understanding others' emotions, based on situational and expressive cues that have some degree of consensus as to their emotional meaning
3. Skill in using the vocabulary of emotion and expression in terms commonly available in one's subculture and at more mature levels to acquire cultural scripts that link emotion with social roles
4. Capacity for empathic and sympathetic involvement in others' emotional experiences
5. Skill in realizing that inner emotional state need not correspond to outer expression, both in oneself and in others, and at more mature levels the ability to understand that one's emotional-expressive behavior may impact on another and take this into account in one's self-presentation strategies
6. Skill in modulating emotional reactions by using strategies that modify the intensity, duration, or aversiveness of such emotional responses as well as skill in coping adaptively with distressing circumstances
7. Awareness that the structure or nature of relationships is in part defined by how emotion is communicated, for example, by the degree of emotional immediacy or genuineness of expressive display and by the degree of reciprocity or symmetry within the relationship; e.g., mature intimacy is in part defined by mutual or reciprocal sharing of genuine emotions, whereas a parent-child relationship may have asymmetric sharing of genuine emotions
8. Capacity for emotional self-efficacy: the individual views herself or himself as feeling, overall, the way he or she wants to feel. That is, emotional self-efficacy means that one accepts one's emotional experience, whether unique and eccentric or culturally conventional, and this acceptance is in alignment with the individual's beliefs about what constitutes desirable emotional "balance." In essence, one is living in accord with one's personal theory of emotion when one demonstrates emotional self-efficacy that is integrated with one's moral sense

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competence applied to the negotiation context and of a general overview of the difference between the two constructs of emotional competence and emotional intelligence, please refer to Saarni (2011).

Reciprocal Influence Between Emotions and Relational Contexts

When we think about how humans develop emotionally, it is through the relationships that we have with others. Granted, we are also biologically wired to be emotional, but the meanings, the language, and the appraisals we make of emotion-evocative situations have all been filtered, so to speak, through our relationships with others. Even when we are alone and face an emotion-evocative situation, our appraisal of it is still made meaningful through our prior immersion in relationships. Leach and Tiedens (2004) have summed up very well the perspective that I take here: “Emotions are one channel through which the individual knows the social world, and the social world is what allows people to know emotion” (p. 2).

Of course, this social world is saturated with cultural beliefs, artifacts, and practices, and if we extend Leach and Tiedens’s thinking, then emotional experience, considered both within the individual and collectively across groups of people, reciprocally influences the cultural context. As we can see in the globalization of information via the Internet, cultural beliefs do indeed change, albeit more evident in superficialities and nuance than in deeply held values. The emotions that are evoked in people may lead them to question culturally approved practices and beliefs, and thus the dynamic fluidity of a society is manifested in this reciprocal influence of emotions and cultural beliefs and practices. Faure (2002) wisely predicted that growing exchanges between nations (via media, trade, etc.) would result in both cultural transcendence as well as a heightened sensitivity to cultural distinctiveness; indeed, a celebration of cultural and ethnic differences may be what we see ensuing in our current international climate. In sum, emotions are dynamic psychophysiological processes that occur “in” the individual, but they cannot be understood without taking into account the individual’s transaction with an environment (especially a social environment). Thus, emotional experience, by definition, is a *bioecological-relational* experience as well. We are, after all, organisms who inhabit a dynamic habitat (Saarni 2008).

Systemic Approach and Emotional Competence

A systems approach to functioning—whether we are addressing physiology, ecology, or social-psychological processes—implies that there is some degree of self-regulation through feedback, that individual entities are dynamically embedded in complex wholes, and that the whole is an organization that is more than its constituent parts. Constructs such as emotional competence, self-efficacy, emotional intelligence, personal integrity, and culture represent abstractions that can be applied to characterize complex phenomena, such as how effective was a given negotiation process between negotiators from differing cultures who may have radically different perspectives on how to strategically negotiate.

For international negotiators to come together in productive meetings, both are better served if they are knowledgeable about the emotion folk theories or ethnopsychologies of their counterpart’s culture. Given the globalization of information, we are also seeing “hybrid” cultures emerging in diverse societies in which both collectivist and individualist values and beliefs are endorsed (e.g., compare urban Beijing or Shanghai with rural western Sichuan Province). Faure (2002) embraced cultural factors as active elements in the negotiation process that competent negotiators should make use of, understand, and develop as “integrative cultural blends” (p. 413) and as bridges to improve the outcome of negotiations that encompass two or more distinctive societies.

In addition to one’s developmental-relational history and the cultural context in which one lives, another very significant contributor to emotional competence, and which also profoundly influences the interpersonal negotiation *system*, is one’s moral disposition or personal integrity. I have been influenced in this regard by the philosopher Wilson (1993) and by various psychologists (Colby and Damon 1992; Walker and Hennig 1997), who have convincingly argued that personal integrity comes with a life lived in accord with one’s moral sense or disposition. Colby and Damon, in their case-oriented research on moral action and moral ideals, studied individuals who were characterized by their commitment to truth-seeking, open-mindedness,

compassion, flexibility, and a sensitivity to “doing the right thing” in their daily lives. Personal integrity was deeply valued by these individuals. Walker and Hennig (1997), in their review of moral development as part of personality, also argued that moral commitment and personal identity are inextricable from one’s social-emotional experience.

I believe that those individuals, whose lives reflect integrity, compassion, and open-mindedness, are simultaneously characterized by mature emotional competence. They can readily access the skills listed in Table 13.1 and deploy them in both ordinary and challenging situations. I recognize that an ethical perspective, much less an emphasis on ethics, does not consistently or explicitly show up in negotiation research and theory (but see Rivers and Lytle 2007, and Cohen 2010, for exceptions); however, I argue that concern with the ethical nature of the outcomes and of the processes of negotiation (e.g., collaborative versus aggressive approaches) as well as the personal integrity of the negotiators themselves is implicit in much of the literature on negotiation. To quote Gibson (2004): “In short, contemporary negotiation scholarship would be remiss to not deal with three ethical elements: the [negotiator’s] personal moral stance; issues which arise from treating negotiation as mutual problem solving, such as trust, disclosure, or beneficence; and the wider ethical considerations of justice, rights, equality, or welfare” (p. 750).

In summary, taking a systemic approach to negotiation means that one must be aware of how feedback within an unfolding episode of negotiation will include myriad significant influences, not the least of which are the qualities of the negotiators themselves. Their emotional competence skills, personal integrity, relational history, and cultural contexts are among the potent contributors to how that feedback loops back and forth in time to influence the eventual outcomes.

Social Exchange Theory, Emotional Competence, and Cooperative Processes

Social exchange theory (e.g., Blau 1964; Emerson 1976) has a common sense or intuitive appeal: individuals are invested in promoting and attain-

ing their own goals and yet can only do so if they interact with another. In short, self-interest is inextricably and somewhat paradoxically linked with interdependence. Friendships, buyers and sellers, management and labor unions, marriages, and so forth can be viewed through the lens of social exchange theory. Lawler and Thye (1999) provided a thoughtful review of how emotions affect social exchange, for, indeed, the actors engaged in the social transactions characterized by exchange are very much emoting individuals. Lawler and Thye suggested that emotions influence social exchange in three ways: The *context* in which the social exchange occurs, the *processes* involved in social exchange, and the eventual *outcomes* (or consequences) of social exchange. More specifically, in their analysis emotions influence exchange context through cultural norms about how emotions “should” be displayed or managed and by social position that conveys power or ascendance over others. Emotions influence exchange processes by the dynamic feedback that experiencing emotions provides to the actor as well as to one’s counterpart. Both internal sensory as well as cognitive feedback are involved here as in experiencing one’s flushing face when one has made a faux pas. Likewise, awareness of one’s own emotions and of the other’s emotional experience impacts how one subsequently acts; e.g., does one apologize for one’s gaffe or maybe compliment the other so as to mollify? Lastly, the outcomes and consequences of social exchange are intimately tied to emotional experience that derives from attributions of credit for the outcome (leading to feeling pride and satisfaction) or blame (leading to anger or shame). Joint interactions that result in productive and gratifying outcomes for both parties also tend to solidify the relationship between the parties, providing the foundation for future satisfying exchanges. Thus, cooperative exchanges (read negotiation here) are more helpful in building future alliances. More recently Elfenbein et al. (2010) undertook a study in which they analyzed participants in a round-robin simulation for their accuracy in posing emotional expressions (encoding) as well as accuracy in understanding others’ facial expressions (decoding). They discovered that emotion encoding and decoding had a moderately positive correlation

with a medium to large effect size. Although their study did not examine this dual-sided accuracy with regard to negotiation effectiveness, it is congruent with the Elfenbein et al. (2007) earlier study and suggests that self-awareness of one's own emotions may well go hand in hand with perceiving accurately what one's counterpart is emotionally experiencing nurturing cooperation processes (see also the complementary theoretical work on mindfulness and emotion management in Galluccio & Safran's chapter in this book; Kopelman et al. 2012). In a correlational study Cohen (2010) examined the role of empathy, perspective-taking, and guilt proneness in students who then rated various questionable negotiation and bargaining strategies. Cohen found that higher empathy was associated with negative attitudes toward lying and bribing, whereas greater perspective-taking did not. Guilt proneness was associated with a negative judgment of both making false promises and lying, but unexpectedly, empathy was not related to disapproval of false promises, which are, in fact, not factual lies until some future point when the promise proves to be empty. Complementing spoken language and its emotion-laden messages is research undertaken by Griessmair and Koeszegi (2009) on negotiation exchanges via email. Using complex content and scaling analyses, these authors found that "factual" statements do indeed convey considerable emotional intent and connotational richness. Both lexical and syntactic choices were analyzed, and systematic variation could be found in how integrative (mutual gain) versus distributive (individual gain) content interacted with low versus high dominance assertion. Over time, successful negotiations were also found to evolve differently than failed negotiations. The former moved toward content characterized by personal and cooperative overtures, while the failed negotiations contained content that was more negative and interpersonally distant.

A thoughtful review chapter on emotion displays in negotiation by Thompson et al. (2004) concluded that negotiators often have to deal with exchanges that entail finding common positions of agreement and yet also compete to maximize one's own gains. As a result, positive

displays are important for fostering cooperation and developing agreement between negotiators, but "poker face" or neutral displays may be more useful in distributive zero-sum exchanges.

Conclusions

The skills of emotional competence can be cultivated through education, exposure, humble recognition of and learning from mistakes (i.e., from emotional incompetence), and careful looking-and-learning from expert negotiators (video-taped records). It is my belief that the thoughtful individual can improve their negotiation effectiveness, if they make the effort to become well prepared with facts and cultural knowledge, adopt a stance of respect, and educate themselves about the basic emotional competence skills, meta-communicative awareness and emotional self-efficacy in conjunction with personal integrity. In so doing, negotiators will likely be far more effective in creating mutually shared value in the negotiation process and simultaneously managing the tension that is inevitable in also trying to maximize one's own outcome (i.e., claiming value). However, we need empirical research that teases apart these components of the person, of the process, and of the situational context facing the negotiators. Lastly, I want to acknowledge that negotiators often have to contend with poorly developed emotional competence skills of their constituencies or those whose interests and positions they are expected to represent. They face two kinds of pressures as they negotiate: external pressure from the counterpart and internal pressure placed on them by their superiors or constituencies (Galluccio 2011). An emotionally competent negotiator should be aware of this dichotomy and be able to detect diplomatically delicate issues, which if not adequately addressed, could bring the negotiation process toward dangerous paths and deteriorate working relationships.

Acknowledgment I thank the editor Mauro Galluccio for his encouragement and patience, thus enabling with his editing to bring different scales of theory, inquiry, and practice together in a brief essay.

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