Madness and the Delicate Art of Exercising Power in Negotiating



By Marwan Sinaceur, Associate Professor of Organisational Behaviour with Chris Howells, Deputy Editor

Unpredictability can be an asset in making people do what you want as a leader and a negotiator.

In October, 1969, the Nixon White House indicated to the Soviets that the "madman was loose" as the U.S. military ostentatiously flew bombers packed with thermonuclear weapons near the Soviet border for three consecutive days.

It was part of the then-president's "Madman" strategy, designed to make the leaders of other countries, especially the Soviet Union, think that the American president was quite literally emotionally unstable and disjointed. Senior U.S. officials, such as Secretary of State Henry Kissinger, not only portrayed Nixon as irrational and volatile to his Soviet counterparts, but made them think that Nixon was totally unpredictable. The sudden decision to bring the bombers home reinforced the "madman's" unpredictable nature and baffled the Soviets.

It was a dangerous tactic, designed to manipulate the Soviets. Yet, history – or at least Kissinger's historical reminiscences - proves it worked. Specifically, the Nixon administration believed their tactics opened the door to arms control deals of the early 1970s.

Although many historians have theorised that such inconsistency gave politicians and heads of state the upper hand in dealing with other leaders, whether they would work in the cooler analytical business world has been unclear. Until now. The advantages of being "unpredictable" or "emotionally inconsistent" in business negotiations are tested in a paper by INSEAD Assistant Professor of Organisational Behaviour, Marwan Sinaceur.

"We found through three different methods that when you alternate between anger and another emotion over time, you were more likely to extract concessions from the recipient than when you expressed anger consistently," said Sinaceur in an interview on his paper "The advantages of being unpredictable: How emotional inconsistency extracts concessions in negotiation" published in the Journal of Experimental Social Psychology. Blowing hot and cold over time is an effective negotiation strategy.

Don't get mad...

"This is a novel finding because most of the research on emotional tactics in negotiations had found that when you expressed anger, you were likely to get ahead or likely to extract concessions from the other because you are perceived as tougher and more likely to walk away. So the counter-intuition of this finding is that to some extent by your expressing *less* anger overall... you can get more from your recipient than if you were to express anger consistently. Importantly, you also are perceived as a nicer person."

Sinaceur proved his findings in three different experiments, ranging from face-to-face to computer simulated negotiations and scenarios. Across all studies, recipients of alternating emotions (such as your going from positive to negative, then to positive again) felt less control over the outcome.

"This means if you express emotional inconsistency to me, I'm going to perceive you as more unpredictable. As a result, I'll feel less control and uncertain about your next move. By me feeling less control, I'm going to think 'look, I'd better make further concessions because the counterpart seems to be very unpredictable and if I want to increase the likelihood of

getting the deal and resolve this uncertainty, I have an excuse to give in," Sinaceur said. "Usually people don't like uncertainty, so when the recipient sees that you are behaving in an unpredictable way, they feel that they're not in control of what is happening in the negotiation."

Manage impressions over time

Being emotionally inconsistent can therefore yield concessions from your opponent and give you the upper hand. But how should you apply the aura of mystery to your negotiation? Sinaceur says one shouldn't start with expressing anger from the beginning of the negotiations.

"There is a difference between expressing anger, then happiness then anger then happiness versus expressing happiness then anger, then happiness then anger. We found that the latter strategy is more effective in making others comply. Overall, it is better to start expressing happiness earlier in the negotiation so that you create positive impressions first. Then, but only then, you can express dissatisfaction when the discussion about the issues gets real and tough. Do not shoot too early. Do not start with anger!," he said. "Clearly, if you express happiness and positiveness at the beginning of a negotiation people are going to feel less threatened and, eventually, they'll disclose more information to you. Start nice, make people trust you first, make people talk and confide in you before you get tougher. That's critical "Express anger only later in the negotiation, in fact only at the very end of the negotiations. And do so parsimoniously. The less anger you express, the more impactful it will be! If you express anger late and with parsimony, people are more likely to infer that you're expressing anger because there is a specific issue at hand and you're not happy about this or that. It's not because you are a jerk or you are chronically moody as may be inferred if you were to get angry from the beginning of the negotiation. Finally, even when you express anger at the very end, you can do so in a non-aggressive way by not directly accusing or blaming your counterpart. Express your dissatisfaction with the issue at hand rather than getting angry and humiliating the other person. So express dissatisfaction at the issue; do not blame your counterpart. You can even express dissatisfaction with a positive spin," Sinaceur added.

A taste of your own medicine

So for recipients of unpredictable negotiations, how can you protect yourself from the advances of the "madman/woman"? Sinaceur has some tips.

"So now the question is, if people act unpredictably towards you and you're going to feel less control and feel more uncertain, how can you manage that? A first tip is to take a break away from the negotiation so you're not facing or talking with your partner anymore," he said. This will help you literally cool down and step back from the situation. Secondly, Sinaceur advises to think back to your original objectives and targets of the negotiation. Make sure you set your targets before beginning. Thirdly, Sinaceur advises keeping in mind that your opponent could be putting on a show with their emotions to leverage concessions. This is easier said than done.

"Much research suggests that we overestimate our ability to detect whether somebody is faking his/her emotions or not, so keeping in mind that we may not read another's emotions accurately is beneficial. If somebody expresses anger, it may be strategic: they may not really be feeling angry. Also, somebody expressing anger might in fact be in a weak position. Perhaps the angry expresser is just worried about something. So trying to keep calm and not wanting to close things right away will help you deal with the situation. Buy time to think and investigate before you react. Don't feel pressurised to react right away to another's moves. Sometimes the best reaction toward another's aggressive moves is to keep still without your speaking your mind. You can defuse the other's aggression by non-verbally acting in a way that shows (e.g., keeping silent, smiling) that you're not impressed," Sinaceur said.

Marwan Sinaceur is an Associate Professor of Organisational Behaviour at INSEAD.

Follow us on twitter <u>@INSEADKnowledge</u> or Facebook https://www.facebook.com/Knowledge.insead.

Find article at

https://knowledge.insead.edu/leadership-organisations/madness-and-delicate-art-exercising-power-negotiating