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Meina Liu¹ and Chongwei Wang²

Abstract

This study examined the influence of anger and compassion, two discrete emotions that differ in valence and appraisals, on negotiators' interaction goals through trust and distrust, two related, but functionally distinct constructs. Findings showed that the influence of anger (a negative emotion with appraisal of other-person control) on perceived importance of competitively oriented goals was mediated by distrust, but not trust, whereas the influence of compassion (a positive emotion with appraisal of situational control) on perceived importance of cooperatively oriented goals was mediated by trust, but not distrust. This study not only sheds light on the process whereby anger and compassion influence negotiation performance but also supports the proposition that trust and distrust represent two distinct psychological processes that are associated with different antecedents and consequences.

Keywords

negotiation, emotion, trust, distrust, interaction goals

Negotiation is often an emotion-laden process whereby two or more parties who have incompatible interests need to work out a mutually acceptable solution. Negotiators may come to the meetings with a rational analysis of possible outcomes. However, many of

¹University of Maryland, College Park

²Hong Kong Polytechnic University, Kowloon, Hong Kong

Corresponding Author:

Meina Liu, Department of Communication, University of Maryland, 2130 Skinner Building, College Park, MD, 20742-7635

Email: liu@umd.edu

their aspirations may be thwarted in the encounters with the other party, a precondition for a wide range of emotions to arise. A growing body of research shows that emotions have a significant impact on negotiation performance, such as the use of bargaining tactics (Butt, Choi, & Jaeger, 2005; Carnevale & Isen, 1986; Liu, 2009), the direction and size of concessions parties make (Sinaceur & Tiedens, 2006; Van Kleef, De Dreu, & Manstead, 2004), the type of outcomes (Anderson & Thompson, 2004), the amount of individual or joint gains (Allred, Mallozzi, Matsui, & Raia, 1997), and perceived relationships between parties (Allred et al., 1997). For example, Allred et al.'s study found that negotiators who felt high anger and low compassion toward their counterpart achieved smaller joint gains and had less desire to work with each other in the future. Although these studies have yielded important insights into *what* effects emotions have on negotiation performance, we are theoretically underequipped to explain *how* these effects take place.

This study seeks to fill in the theoretical "void" by investigating viable mechanisms through which anger and compassion, two other-directed, discrete emotions, have distinct effects on negotiators' interaction goals, based on the premise that interaction goals play an important role in shaping negotiators' bargaining tactics and outcomes (Liu & Wilson, in press; Wilson & Putnam, 1990). Specifically, drawing upon cognitive theories of emotions and beliefs as well as scholarship that characterized trust and distrust as two distinct constructs that are associated with different antecedents and consequences, we assessed how the influence of anger and compassion on negotiators' goals is differentially mediated by trust and distrust. The following section reviews relevant literature in each of the three areas (i.e., emotions, interaction goals, and trust and distrust) that informs key hypotheses of the study. Next, we describe the methods used to evaluate the hypotheses as well as our findings. Finally, we discuss the theoretical and practical implications of these findings and directions for future research.

The Role of Anger and Compassion in Negotiation

Earlier negotiation research that considers the role of emotion tends to focus on affects or *moods* that are more enduring, of low intensity, and not associated with a specific target (e.g., Carnevale & Isen, 1986). In the past decade, discrete *emotions* that are more intense and directed toward a specific person have received increasing attention from negotiation scholars (e.g., Allred et al., 1997; Liu, 2009). Negative emotions, especially anger, have received far more attention than other discrete emotions because they are more likely to be prevalent in situations where conflicts and negotiations occur (Allred, 1999). Positive emotions, such as happiness and compassion, were often examined as a contrast to anger. The current study focuses on anger and compassion as two social emotions (i.e., occurring only as a result of real or imagined encounters with other people, see Leary, 2000) that derive from appraising the same social event in different ways. Such a contrast helps to illuminate the processes through which different emotions produce distinct effects on negotiators' judgments and motivation.

Studies that focus on genuinely *felt* emotions (as opposed to strategically *expressed* emotions) draw heavily on cognitive appraisal theories to induce emotions. Appraisal

theorists believe all emotions are initiated by an individual's appraisal of events in the environment in relation to the things that he or she cares about and that these appraisals also affect the consequences of emotions (Parrot, 2004). Researchers have identified a variety of appraisal dimensions to distinguish between discrete emotions (e.g., Smith & Ellsworth, 1985). For example, *judgment of responsibility* is a cognitive appraisal concerning the relationship between a person's success or failure (i.e., whether a person's goals are accomplished or thwarted) and the factors that may account for it (e.g., ability, effort, luck; see Weiner, 1995). Inferences about another person's responsibility (i.e., what he or she "should" or "ought to" have done) are guided by a distinction between *internal* (dispositional) versus *external* (situational) causality. Internal causes, such as lack of effort that caused failure in a game, often are perceived as *controllable*; an individual is judged personally responsible for such behavior because he or she could have done otherwise to prevent the negative outcome. On the other hand, external causes, such as a physical injury from training that caused poor performance in a game, often are perceived as *uncontrollable*; an individual is judged as having less or no personal responsibility for such behavior because there was not much he or she could have done to prevent what had happened. Consequently, angry feelings tend to arise when one judges another person to be responsible for a negative event, whereas compassionate feelings tend to result from the perception that the other person is not responsible because of extenuating circumstances. Considerable evidence has supported the associations between judgment of responsibility and these two emotions (e.g., Allred et al., 1997; MacGeorge, 2001; Schmidt & Weiner, 1988).

It should be noted that the study of compassion has a long tradition in religion, medicine, and sociology, as a cardinal moral emotion or a selfless belief state motivating prosocial action (Dreyfus, 2002). Only recently have scholars begun to understand its impact as a discrete emotion in interpersonal and organizational processes such as social support provision (MacGeorge, 2001), negotiation (Allred et al., 1997), leadership (Scalise, 2007), and organizational commitment (Lilius et al., 2008). Compassion is frequently used interchangeably with sympathy, empathy, and pity,¹ especially when it results from witnessing another's suffering. In this study, we follow Allred et al.'s (1997) method of inducing compassion in a bargaining context where a negotiator perceives the other party as *not* personally responsible for thwarting the negotiator's goals because of external, uncontrollable circumstances. Like Allred et al. (1997), we treat compassion as a positive emotion that involves empathy and understanding regarding the other's intentions and motives for a past behavior in that even though the primary appraisal is negative (i.e., it is a goal-incongruent event), the secondary appraisal carries a positive valence (i.e., something external and/or uncontrollable, rather than the other party personally, accounts for it).

Appraisal theorists assume that emotions serve specific motivational concerns. Emotion is not thought to lead directly to specific action but rather to put the individual in a state of readiness for focused behavior that is appropriate for coping adaptively with emotion-arousing events, known as *action tendency* (Parrot, 2004). The innate action tendency of anger is "*attack on the agent held to be blameworthy for the offense*" (Lazarus, 1991, p. 226); anger often provokes an intention in an individual to remove the barrier or decrease an unwanted response through punishment and retaliation. In contrast,

compassion entails empathy (a capacity to think and feel in another person's place) and is associated with a readiness to help (Weiner, 1995, 2006). Despite these automatic and impulsive action tendencies, an individual's actual behavior to cope with the situation draws heavily upon perceptions about what is possible in the context and what one is capable of doing (Lazarus, 1991). The following sections (a) introduce perceived importance of interaction goals as a viable construct for linking emotions with specific forms of behavior and (b) discuss trust and distrust as one set of mediating variables for explaining the distinct effects of anger and compassion on the importance negotiators place upon various goals.

Interaction Goals in Negotiation

The concept of interaction goals has been introduced in the message production literature as a useful construct for explaining why individuals say what they do in social interactions. Interaction goals are desired futures states of affairs that can only be achieved through communication and coordination with others; they provide insights into the cognitive processes that lead to specific forms of behavior (Wilson, 2002). Whereas negotiation scholars typically treat goals as monetary target or resistance points set for the entire negotiation or even multiple negotiations, message production scholars commonly assume that individuals often pursue multiple, sometimes conflicting goals during social interaction (e.g., Dillard, 1989; O'Keefe & Shepherd, 1987; Wilson & Putnam, 1990). For example, negotiators may desire to push toward an agreement where they can claim the largest portion of the pie possible; they may also be concerned about establishing a trusting relationship with the other party, which at times may "pull" them back from achieving the former goal.

Research has shown that interaction goals can predict strategic behavior in conflict management (e.g., Canary, Cunningham, & Cody, 1988; Keck & Samp, 2007), negotiation (Liu & Wilson, in press), social influence (Olufowote, Miller, & Wilson, 2005), emotional support (Burlison & Mortenson, 2003), and teamwork situations (Monahan & Samp, 2007). For example, Liu and Wilson (in press) found that when negotiators placed greater importance on competitively oriented interaction goals, they used more distributive persuasion and fewer priority information exchange tactics; furthermore, interaction goals produced a significant impact (direct or indirect) both on the size of joint profit and on dyad members' individual gains. Given the established links between goals, tactics, and outcomes, this study focuses on the direct and indirect influence of emotions (i.e., anger and compassion) on interaction goals to shed light on the process whereby these emotions influence negotiation performance.

Specifically, angry feelings entail a behavioral readiness to attack, to punish, or to retaliate. In a bargaining context where negotiating parties have both incompatible and interdependent interests (Tjosvold, 1998), the extent to which these automatic action tendencies translate into actual, specific bargaining tactics depends on how a negotiator (re)defines the bargaining situation and (re)formulates goals. Wilson and Putnam (1990) identified three types of interaction goals in negotiation: *instrumental* (or task-oriented goals, e.g., obtaining money or information), *relational* (e.g., gaining power or building trust), and

identity goals (e.g., managing one's own or the other party's face). Interaction goals reflect a negotiator's social motives (i.e., a negotiator's preferences for particular outcome distributions between him or herself and the counterpart; De Dreu, 2004).² The mixed-motive nature of negotiation often places negotiators in a position of pursuing multiple, sometimes conflicting goals concomitantly (e.g., wanting to maximize joint profit but also to avoid being taken advantage of). Therefore, as compared with action tendencies, interaction goals are more specific, multifaceted, and arise from the contextual features of the interaction. The current study employs a job contract negotiation scenario to examine the hypothesized links. We assess eight interaction goals that vary in type (instrumental, relational, and identity) and social motivation (competitive vs. cooperative). We predict the following hypothesis:

Hypothesis 1 (H1): Angry negotiators will place greater importance on competitively oriented interaction goals, such as getting a better deal than the counterpart, withholding information, attacking the other's face, and gaining power over the other party.

On the other hand, compassionate feelings entail empathy, an ability to take another person's perspective as well as a behavioral readiness to help. In a bargaining process such feelings can motivate negotiators to be concerned about the counterpart's needs and interests, both tangible and intangible. Thus we predict the following hypothesis:

Hypothesis 2 (H2): Compassionate negotiators will place greater importance on cooperatively oriented interaction goals such as maximizing both parties' profit, exchanging information concerning interests and priorities, enhancing the other's face, and establishing a positive relationship with the other party.

Trust and Distrust as Two Distinct Mediators

Although interaction goals can serve as a viable construct linking emotions with specific forms of negotiation behavior, the link between emotions and interaction goals requires further theorizing. Emotion theorists contend that we must understand the influence of emotions on beliefs in order to understand their impact upon human life (see Forgas, 2000; Frijda, Manstead, & Bem, 2000). Beliefs are thoughts and judgments concerning what is true; they extend to the causes or intentions behind events, their likely consequences, and the enduring properties of things or persons that make them behave in a particular manner (Frijda & Mesquita, 2000). Beliefs may result from the way an event is appraised and therefore be parts of emotions, but beliefs tend to involve generalizations and are about stable and intrinsic properties of the object. The current study examines perceived trust and distrust as one set of beliefs that can potentially explain the differential effects of anger and compassion on negotiators' interaction goals.

Trust and Distrust: A Tale of Two Dimensions

Researchers have yet to reach consensus on definitions of trust and distrust (for a review of various definitions, see Lewicki, McAllister, & Bies, 1998). Nonetheless, most scholars agree that trust and distrust are cognitive notions involving an individual's positive or negative perceptions of another's intentions and motives as well as a willingness to act upon such beliefs (e.g., Deutsch, 1960; Mayer, Davis, & Schoorman, 1995). Early research has implicitly treated trust and distrust as direct opposites of each other on one conceptual spectrum. Evidence of low trust was routinely assumed to be that of high distrust. The majority of the extant literature on trust is based on this premise. In these works, the positive impacts of interpersonal trust are well-documented (e.g., Butler, 1995, 1999; Kimmel, Pruitt, Magenau, Konar-Goldband, & Carnevale, 1980), whereas distrust receives little attention.

Recent scholarship has identified distrust as a distinct construct that is related to but qualitatively different from trust (Cho, 2006; Kramer, 1999; Lewicki et al., 1998). Whereas trust is defined in terms of an individual's positive expectation of another's conduct and a willingness to cooperate (McAllister, 1995), distrust is viewed as the expectation that the other party may engage in harmful actions against oneself, thus triggering a desire to "buffer oneself from the effects of another's [expected] conduct" (Lewicki et al., 1998, p. 439). The elements that contribute to the growth and decline of trust and distrust are often separate. For example, one can trust a barber to do a good haircut (i.e., trust his competence) but think the barber may overcharge him when chance permits (i.e., distrust his integrity). Having high trust in one facet of a social relationship, therefore, does not preclude one from having high distrust in another; distrust is different from low trust in that it emphasizes negative expectations rather than the absence of positive expectations. This is especially true in negotiation, where negotiators need to constantly balance the desire to trust the counterpart and reciprocate with integrative tactics (e.g., sharing information and formulating mutually beneficial tradeoffs) and to distrust the counterpart and engage in distributive tactics (e.g., withholding information and claiming value for oneself).

This distinction has led researchers to believe that the antecedents and consequences associated with distrust are distinct from those surrounding trust. A recent study conducted by Cho (2006), in particular, supports this proposition. Specifically, he found that buyers' perception regarding online sellers' benevolence fosters trust, whereas their perception concerning the sellers' competence reduces distrust; trust is more crucial in determining buyers' commitment, whereas distrust discourages consumers from disclosing information about themselves. This is consistent with broader research that demonstrates the separability of positive-valent and negative-valent constructs for affect (Watson & Tellegen, 1985), optimism/pessimism (Stallings, Dunham, Gatz, & Bengston, 1997), and interracial attitudes (Katz & Hass, 1988). Such consistency suggests that trust and distrust may be associated with other processes (e.g., emotions) in ways that are consistent with their valence.

Feeling Is Believing: Emotions and Judgments Concerning Trust and Distrust

In contrast to a large body of research examining the role of cognition in emotion, the influence of emotion on beliefs has been underexplored (Forgas, 2000). Nevertheless, a number of models have been advanced to theorize the relationship between emotion and judgment. One group of models views affect as information; in this light, mood influences judgment through biased retrieval of mood-congruent information from memory (Bower, 1981; Schwarz & Clore, 1988). Thus negative affect leads to negative assessments of the target, and the opposite is true for positive affect. Going one step further, Forgas's (1995) affect infusion model (AIM) identifies cognitive processing strategies (i.e., direct access, motivated, heuristic, and substantive processing) that can moderate the relationship between mood and judgment. For example, when individuals engage in heuristic processing (i.e., rely on cognitive shortcuts or heuristics) they are likely to make mood congruent judgments; however, when individuals engage in motivated processing (involving highly selective information search directed by a specific motivational objective), their judgments may not be mood congruent.

These models have received considerable support from empirical research. A growing body of literature suggests that incidental emotions (i.e., emotions stemming from a prior, unrelated event) produce judgments that are congruent with their cognitive appraisals (e.g., Keltner, Ellsworth, & Edwards, 1993; Lerner & Keltner, 2000). Tiedens and Linton (2001) found that emotions associated with certainty appraisals (e.g., anger) promotes heuristic processing; therefore they are more likely to produce valence-congruent effects. Researchers did not link emotions with trust until recently. Dunn and Schweitzer (2005) examined how trust judgments were influenced by incidental emotions. Consistent with the models discussed above, their study found that emotions with appraisals of other-person control influence trust in a manner consistent with the emotion's valence (e.g., gratitude increases trust whereas anger decreases trust), especially when dealing with unfamiliar partners (when heuristic processing is more likely).

Although empirical work on emotion and judgment tends to focus on incidental emotions, research has demonstrated that discrete integral emotions (i.e., event-specific emotions) have a significant impact on judgment that is even stronger than incidental mood states. For example, Allred et al. (1997) found that anger and compassion directed toward the target produced a stronger impact on negotiators' accuracy of judgment concerning the target's interests than their general mood states. The current study, therefore, expects to find that the two integral emotions (i.e., anger and compassion) with related (both high in certainty) but distinct appraisals (other-person vs. situational control) will influence trust and distrust in valence-congruent ways. Given that anger arises from the perception that the target has intentionally done something harmful, it is likely to increase distrust, or negative expectation of the target's subsequent behavior. On the other hand, as compassion stems from the perception that the target engaged in undesirable behaviors due to external circumstances beyond personal control, it is likely to be associated with trust, or positive judgment of the target's intentions and motives.

Linking Trust and Distrust With Goals

Trust and distrust have been defined in terms of the willingness or desire to act upon positive (or negative) expectations about the (dis)trustee's actions and/or motives. Given the expectation that the other party will engage in harmful activities against oneself, distrust entails a propensity to protect oneself from such conduct (Lewicki et al., 1998). Researchers have identified at least two behavioral consequences of negotiator distrust (or paranoia): *defensive noncooperation*, which entails withdrawal from cooperative behavior, and *moral aggression*, which refers to the intense negative reactions individuals sometimes experience when they anticipate being treated in an unfair, unjust, or untrustworthy fashion (Kramer, 2004). Because negotiating parties come to the negotiation table with incompatible interests, a distrusting negotiator tends to view negotiation as a win-lose game. Such a distributive mindset may motivate the distruster to place greater importance on interaction goals that are competitively oriented, such as to withhold information, to get a better deal than the counterpart, to gain power over the other party, and to attack the other's face. On the other hand, researchers have associated trust with the willingness to count on (Gillespie, 2003; McAllister, 1995), to cooperate with (Parks, Henager, & Scamahorn, 1996), and to be friend with the trustee (Fukuyama, 1996). Given the positive expectations regarding the counterpart's intentions and motives, a trusting negotiator is likely to view both parties' interests as interdependent and place greater importance on cooperatively oriented goals, such as to promote information exchange, to maximize both parties' profit, to enhance the other's face, and to promote a positive relationship with the other party. Thus, based on existing research on emotions and beliefs as well as scholarship on trust and distrust as two functionally distinct constructs, we predict the following hypotheses:

Hypothesis 3 (H3): The influence of anger on competitively oriented interaction goals will be mediated by distrust, but not trust.

Hypothesis 4 (H4): The influence of compassion on cooperatively oriented interaction goals will be mediated by trust, but not distrust.

Method

Participants

Participants were 277 college students (97 men and 180 women) recruited from a major Eastern university in the United States through an online participant pool. The majority of the participants (69%, $N = 191$) identified themselves as White. The others identified themselves as Asian American (14.4%, $N = 40$), African American (12.3%, $N = 34$), and Latino American (4.3%, $N = 12$). They were 19.62 years in age on average and received a small amount of extra credit from their course instructors for participating in this study.

Survey Procedures and Hypothetical Scenarios

Participants were randomly assigned to one of four conditions that varied by manipulation condition (high vs. low responsibility) and bargaining role (employer vs. employee). They read a negotiation scenario where they took on the role of either a manager of a large consulting firm or a prospective employee to negotiate over an employment contract. After reading the first negotiation task, which is a single-issue, zero-sum game, participants were told how the other party behaved (i.e., they were given a list of positional statements as well as persuasive arguments made by the other party) and the result of that negotiation (i.e., a straight compromise). Participants then completed a questionnaire assessing (a) their perception of the other party's behavior and the extent to which the other party was responsible for such behavior, (b) the emotions they felt toward the other party, and (c) the extent to which they trusted and distrusted the other party. Participants were then instructed to prepare for a subsequent negotiation task with the same partner on core employment issues. After they read the instructions, they were asked to complete a questionnaire assessing the importance they would place on a number of interaction goals if they were to engage in this subsequent negotiation.

The hypothetical scenario has demonstrated validity in prior studies (e.g., Allred et al., 1997). Participants were told that their objective was to get as good a deal as they could for their company or for themselves, measured by the total number of points they could earn from the two negotiation tasks. The first task, which was distributive in nature, concerned what kind of laptop computer the employee would receive from the company. Three options were available for discussion, the basic, advanced, and elite options, which varied in price, weight, and accessories, and were respectively worth 0, 20, and 100 points for the employee and 100, 20, and 0 points for the manager; thus both parties must compete in order to win. Moreover, instructions for this task and responses from "the other party" were intended to elicit contrasting expectations. For example, "employees" were told that the laptop computer was an important symbol of status and respect at the firm and aggressive pursuit of the elite option was typically perceived as an indicator of their requisite confidence to succeed at the firm; however, in the negotiation, the "manager" argued that the consulting firm frowned upon ostentatious fringe benefits, and most new recruits had been happy with a basic option computer.

The laptop negotiation was thus designed to elicit perceptions in both parties that the other party was competitive and stood in their way for achieving desired goals. The experimental manipulation then focused on altering participants' perceptions of how responsible the other was for that negatively perceived behavior. In the low responsibility condition, additional explanations for the other party's behavior were provided, which aimed to divert participants' attention to external, uncontrollable causes (i.e., situational constraints). In the employee version, the participant had learned through a friend that the employer representative had little choice in the laptop computer he or she could offer because the partners in the firm had previously made that decision. The employer version stated that the prospective employee was from a graduate program that stressed the importance of new technologies and state-of-art computer equipment, and the program also instructed students to

demand cutting-edge computers in order to gain the tools and respect needed to be successful. In the high responsibility condition, these additional explanations (i.e., mitigating information) were not presented.

After participants completed the questionnaire assessing their attribution of responsibility, emotions, and trust and distrust, they were told that the other party eventually agreed upon the advanced option laptop computer (i.e., a straight compromise). They were then asked to prepare for a subsequent negotiation with the other party, which concerned the core terms of employment, including salary, medical coverage, vacation time, and start date. Participants were given a payoff schedule that described five options for each issue and were told that the priorities of these issues were different, as reflected in the point values associated with each option. For example, in the employee version, the highest salary was worth 660 points, but the best medical coverage was only worth 100 points, whereas the priority of the two issues is reversed for managers. Participants were told that for an offer to be acceptable, they should try to get a minimum of 900 points (a straight compromise for all issues only leads to 620 points). This task, which contained integrative potential (i.e., both parties could “win” by trading off issues of differential importance), can motivate participants to form a variety of interaction goals that are both competitively and cooperatively oriented. Participants completed an interaction goals questionnaire after reading this hypothetical negotiation task, but were not asked to negotiate.

Measures

Judgment of responsibility for a negative behavior. This construct consists of two components: (a) judgment of how negative the other party’s behavior was, and (b) judgment of how responsible the other party was for such behavior (Allred et al., 1997; Weiner, 1995). Six items on 7-point Likert-type scales (1 = *not at all*, 7 = *very much*) assessed the negativity component (e.g., “To what extent do you perceive Mr. Johnson’s behavior as negative?”). Eight items on 7-point Likert-type scales (1 = *not at all*, 7 = *very much*) assessed the attribution of responsibility component (e.g., “To what extent do you hold Mr. Johnson accountable for his behavior?”). Confirmatory Factor Analysis (CFA) was performed to assess the two-factor oblique model on the 14 items. Chi-square value for the overall model fit was significant, $\chi^2(63) = 110.3$, $p < .001$. Due to the sensitivity of χ^2 in large samples, other fit indices were assessed (Kline, 1998). Examination of these indices showed an acceptable model fit, Non-Normed Fit Index (NNFI) = .92, Comparative Fit Index (CFI) = .95, and Standardized Root Mean Square Residual (SRMR) = .06 (Hu & Bentler, 1999). All the factor loadings were significant at the .05 level. The two factors were moderately correlated, $r = .56$. Cronbach’s alpha was .74 for negativity and .76 for responsibility. Weiner’s (1995) work suggests that the negativity and responsibility elements have a multiplicative rather than an additive effect on anger and compassion. Thus we followed Allred et al.’s (1997) method and multiplied the composite negativity and responsibility scores for each participant to compute a measure of judgment of responsibility for a negative behavior.

Anger and compassion. Four items on 7-point Likert-type scales (1 = *not at all*, 7 = *very much*) were included to measure anger, which assessed participants' feelings of anger, annoyance, madness, and irritation (MacGeorge, 2001). For compassion, four items assessed participants' feelings of sympathy, compassion, empathy, and understanding. CFA was performed to assess the two-factor oblique model on the 8 items. Chi-square value for the overall model fit was significant, $\chi^2(16) = 56.66, p < .001$. Other fit indices showed an acceptable model fit, NNFI = .94, CFI = .96, and SRMR = .07. All but one factor loadings were significant at the .05 level. The item with insignificant loading (i.e., madness) was dropped. Examination of the fit indices of the new model showed an acceptable fit, $\chi^2(12) = 29.34, p = .004$, NNFI = .96, CFI = .98, and SRMR = .05. The two factors were not correlated, $r = -.04$. The internal consistency of the two scales was deemed satisfactory: Cronbach's alpha was .86 for anger and .77 for compassion.

Trust and distrust. Measurement items for trust and distrust were developed based on prior literature (see appendix) and were pilot tested. Four items on 7-point Likert-type scales (1 = *not at all*, 7 = *very much*) measured trust and four measured distrust. CFA was performed to assess the two-factor oblique model on the 8 items. Chi-square value for the overall model fit was significant, $\chi^2(17) = 48.3, p < .001$. Other fit indices showed an acceptable model fit, NNFI = .91, CFI = .95, and SRMR = .05. All the factor loadings were significant at the .05 level. The two factors were slightly correlated, $r = -.30$. Cronbach's alpha was .70 for trust and .77 for distrust.

Interaction goals in negotiation. Measurement items for negotiators' interaction goals were developed based on Wilson and Putnam's (1990) framework and were pilot tested (see appendix). Thirty-one items on 7-point Likert-type scales (1 = *strongly disagree*, 7 = *strongly agree*) assessed eight interaction goals. CFA was performed to assess two four-factor oblique models for cooperative and competitive goals respectively. Chi-square value for the cooperative goals model fit was significant, $\chi^2(81) = 134.2, p < .001$. Other fit indices showed a good model fit, NNFI = .96, CFI = .97, and SRMR = .04. All the factor loadings were significant at the .05 level. Correlations between the four factors ranged from .41 to .81. Chi-square value for the competitive goals model fit was also significant, $\chi^2(95) = 145.9, p < .001$. Other fit indices showed an acceptable model fit, NNFI = .94, CFI = .95, and SRMR = .05. All the factor loadings were significant at the .05 level. Correlations between the four factors ranged from .24 to .76. Cronbach's alpha was .76 for "maximizing both parties' profit," .72 for "promoting information exchange," .85 for "enhancing the other's face," .72 for "promoting a positive relationship," .74 for "getting a better deal than the other," .67 for "withholding information," .75 for "attacking the other's face," and .69 for "gaining power over the other." Table 1 displays the correlation matrix, means, and standard deviations for each variable.

Results

Manipulation Check

The inducement of anger and compassion by manipulating participants' judgment of responsibility proved to be successful. Participants in the high responsibility (HR)

Table 1. Correlations, Means, and Standard Deviations of Independent and Dependent Measures

	1	2	3	4	5	6	7	8	9	10	11	12
1. Anger	1											
2. Compassion	-0.16**	1										
3. Trust	-0.26**	0.22**	1									
4. Distrust	0.32**	-0.03	-0.26**	1								
5. Get a better deal than the other	0.15*	-0.07	0.22**	0.22**	1							
6. Maximize both parties' profit	-0.03	-0.02	0.21**	-0.11	-0.18**	1						
7. Withhold information	0.00	0.11	-0.10	0.18**	0.50**	-0.14*	1					
8. Promote information exchange	-0.13*	0.11	0.27**	-0.14*	-0.19**	0.61**	-0.14*	1				
9. Attack the other's face	0.23**	-0.04	-0.15*	0.27**	0.19**	-0.13*	0.30**	-0.10	1			
10. Enhance the other's face	-0.17**	0.20**	0.18**	-0.06	-0.11	0.33**	0.08	0.44**	-0.14*	1		
11. Gain power over the other	0.16*	0.03	-0.01	0.16**	0.44**	-0.10	0.34**	-0.13*	0.41**	-0.10	1	
12. Promote a positive relationship	-0.14*	0.04	0.27**	-0.12*	-0.00	0.44**	0.08	0.51**	-0.14*	0.48**	0.03	1
M	3.68	2.89	4.29	2.72	5.04	5.73	4.91	5.29	3.35	4.76	5.01	5.71
SD	1.43	1.03	0.91	1.11	1.10	1.05	1.09	1.05	1.20	1.07	1.08	0.84

* $p < .05$. ** $p < .01$.

condition perceived the counterpart's behavior as more negative ($M = 4.86$, $SD = .83$) than those in the low responsibility (LR) condition, ($M = 4.65$, $SD = .84$), $t(270) = 1.98$, $p < .05$, $d = .17$; consistently, they also held the other party more responsible for such behavior ($M = 4.38$, $SD = .99$) than those in the LR condition ($M = 3.81$, $SD = .88$), $t(274) = 5.06$, $p < .001$, $d = .61$. Thus the manipulation produced a significant effect on participants' overall judgment of responsibility, $t(270) = 4.54$, $p < .001$, $d = .37$, with participants in the HR condition attributing greater responsibility to their counterpart for perceived negative behavior ($M = 21.58$, $SD = 7.05$) than those in the LR condition ($M = 17.96$, $SD = 6.96$). Further analysis indicates that the effect was stronger for participants in the manager's role, $t(126) = 5.49$, $p < .001$, $d = .97$, than for those in the employee's role, $t(142) = 2.08$, $p < .05$, $d = .35$. The composite measure of overall judgment of responsibility for perceived negative behavior was positively associated with anger, $r = .29$, $p < .001$, and negatively associated with compassion, $r = -.27$, $p < .001$. The measures of anger and compassion (based on emotion terms) were thus used for subsequent analyses.

The Effects of Anger and Compassion on Interaction Goals: Zero-Order Correlations

Hypothesis 1 predicted that anger would be positively associated with competitively oriented goals and Hypothesis 2 predicted that compassion would be positively associated with cooperatively oriented goals. As Table 1 shows, bivariate correlational analyses detected significant positive associations between anger and (a) "to get a better deal than the counterpart" ($p < .05$), (b) "to attack the other's face" ($p < .01$), and (c) "to gain power over the counterpart" ($p < .05$). There was also a significant association between compassion and "to enhance the other's face" ($p < .01$). There appeared to be no significant association between anger and "to withhold information," nor were there significant associations between compassion and (a) "to maximize both parties' profit," (b) "to promote information exchange," and (c) "to promote a positive relationship." Thus, H1 and H2 were partially supported based on zero-order correlations.

The Effects of Trust and Distrust as Two Distinct Mediators

Hypothesis 3 predicted that the influence of anger (X) on the four competitively oriented goals (Y) would be mediated by distrust ($M1$), but not trust ($M2$). According to Baron and Kenny (1986), a variable functions as a mediator if (a) X significantly predicts M (anger \rightarrow distrust), (b) M significantly predicts Y after controlling for X (distrust \rightarrow competitive goals), and (c) when M is controlled, the effect of X on Y (anger \rightarrow competitive goals) decreases (partial mediation), with the strongest demonstration of mediation occurring when the effect becomes nonsignificant (full mediation). As Table 1 shows, anger was positively associated with distrust ($p < .01$) and negatively associated with trust ($p < .01$).³ To assess the mediation of distrust, hierarchical regression procedures were performed on each of the four competitive goals in which anger was entered on the first step followed by distrust on the second step. Results from the analyses are summarized in Table 2. After

Table 2. Mediation of the Effects of Anger on Competitive Goals Through Distrust and Trust in Separate Hierarchical Regression Models

	Dependent Measures (Y)											
	To get a better deal			To withhold information			To attack the other's face			To gain power over the other		
	b	R ²	Z	b	R ²	Z	b	R ²	Z	b	R ²	Z
Model 1 anger (X)	.11*			.00			.19***			.12**		
Model 2: anger (X)	.06			-.05			.14**			.09		
distrust (M ₁)	.19**			.19**			.24***			.12*		
Models 1-2 R ² Change		.03**			.03**			.04***			.01*	
Sobel tests of indirect effects ^a			2.73**			2.71**			3.08**			1.90*
Model 3 Anger (X)	.10*			-.02			.17***			.13**		
Trust (M ₁)	-.05			-.13			-.13			.04		
Models 1-3 R ² Change		.00			.01			.01			.00	
Sobel tests of indirect effects ^a			-.66			-1.67			-1.57			0.56

^aThe z-value of each Sobel test is presented.
*p < .05. **p < .01. ***p < .001.

controlling for anger, distrust had a significant effect on all four competitive goals. Based on Baron and Kenny's criteria, distrust fully mediated the influence of anger on two of the competitive goals, "to get a better deal" and "to gain power over the other party," in that the associations between anger and these goals became nonsignificant after distrust was controlled. In addition, distrust partially mediated the influence of anger on the goal "to attack the other's face" in that the beta for anger dropped substantially after distrust was controlled, even if it remained significant. Finally, based on these criteria, distrust did not mediate the influence of anger on the goal "to withhold information" because the effect of anger was nonsignificant both before and after distrust was controlled.

Sobel tests were subsequently performed to assess whether the indirect effects of anger on the four competitive goals through distrust were statistically significant (Sobel, 1982). As Table 2 shows, all four indirect paths proved to be significant. It should be noted that although the terms *mediated effects* and *indirect effects* are sometimes used interchangeably, a conclusion that a *mediation* effect is present implies that the $X \rightarrow Y$ zero-order correlation (also referred to as the *total effect*) was initially present, whereas it is possible to find an *indirect* effect (e.g., anger \rightarrow distrust \rightarrow "to withhold information") even when there is no evidence for a significant total effect (e.g., anger \rightarrow "to withhold information," *ns*). Recent scholarship contends that mediation exists whenever significant indirect effects (i.e., the influence of X on Y through one or more intervening variables) are found (Preacher & Hayes, 2008).

To assess the mediation of trust on the link between anger and competitive goals, the same hierarchical regression procedures were repeated, only with distrust being replaced by trust on the second step. Results are summarized in Table 2. After controlling for anger, trust did not have a significant effect on any of the four competitive goals. Based on Baron and Kenny's (1986) criteria, trust had no mediating effect on the relationship between anger and competitive goals. Results from Sobel tests confirmed this conclusion: None of the indirect paths from anger to competitive goals through trust was significant (see Table 2). H3 was supported.

Hypothesis 4 predicted that the influence of compassion (X) on the four cooperatively oriented goals (Y) will be mediated by trust ($M1$) but not distrust ($M2$). As Table 1 shows, compassion was positively associated with trust ($p < .01$) but not associated with distrust (*ns*). To assess the mediation of trust, hierarchical regression procedures were performed, with compassion entered on the first step followed by trust on the second step. Results are summarized in Table 3. After controlling for compassion, trust had a significant effect on all four cooperative goals. Based on Baron and Kenny's criteria, trust partially mediated the influence of compassion on the goal "to enhance the other's face" because the beta for compassion dropped substantially after trust was controlled even if it remained significant. However, trust did not mediate the influence of compassion on the other goals because the effect of compassion was nonsignificant at the .05 level both before and after trust was controlled. Nevertheless, subsequent Sobel tests showed that the indirect effects of compassion on the four cooperative goals through trust were all statistically significant (see Table 3).

Table 3. Mediation of the Effects of Compassion on Cooperative Goals Through Trust and Distrust in Separate Hierarchical Regression Models

	Dependent Measures (Y)											
	To maximize both parties' profit			To promote information exchange			To enhance the other's face			To promote a positive relationship		
	b	R ²	Z	b	R ²	Z	b	R ²	Z	b	R ²	Z
Model 1: Compassion (X)	-.02		.11 ⁺	.20 ^{***}			.03					
Model 2 Compassion(X)	-.07		.06	.17 ^{**}			-.02					
Trust (M ₁)	.26 ^{***}		.30 ^{***}	.17 [*]			.26 ^{***}					
Model 1-2 R ² Change		.05 ^{***}			.06 ^{***}			.02 [*]			.07 ^{***}	
Sobel tests of indirect effects ^a			2.68 ^{**}			2.87 ^{**}			2.03 [*]			2.97 ^{**}
Model 3 Compassion (X)	-.02		.11 ⁺	.20 ^{***}			.03					
Distrust (M ₂)	-.10 ⁺		-.13 [*]	-.05			-.09 [*]					
Model 1-3 R ² Change		.01 ⁺			.02 [*]			.00			.02 [*]	
Sobel tests of indirect effects ^a			.53			.54			.46			.53

^aThe z-value of each Sobel test is presented. +p < .10. *p < .05. **p < .01. ***p < .001.

Because compassion was not associated with distrust (see Table 1), distrust did not qualify as a mediator for explaining the influence of compassion on cooperative goals. Nevertheless, the same hierarchical regression analyses and Sobel tests were performed, with trust being replaced by distrust. As Table 3 shows, these findings provide further support to this conclusion: None of the indirect paths from compassion to cooperative goals through distrust was statistically significant. H4 was supported.

Comparing the Indirect Effects of Trust and Distrust in Multiple Mediator Models

Although previous analyses indicate that trust and distrust mediate the influence of anger and compassion on negotiators' interaction goals in distinct ways, it is of theoretical interest to further assess whether the indirect effects of the two constructs are significantly different from each other. By far, the procedures suggested by Baron and Kenny (1986) are the most commonly used method in social sciences to guide mediation analysis. However, recent scholarship has identified several shortcomings in this method that make it insufficient to assess mediation when (a) the sample size is small and the assumption of normality is violated, (b) the analysis involves multilevel models, and (c) the effects of multiple mediators need to be assessed and compared (Bauer, Preacher, & Gil, 2006; MacKinnon, Lockwood, & Williams, 2004; Preacher & Hayes, 2008). Preacher and Hayes (2008) recently proposed bootstrapping procedures for assessing and comparing indirect effects in multiple mediator models. Bootstrapping also has the advantage of making no assumptions about the shape of the sampling distribution of the indirect effect or its underlying paths; rather, it is accomplished by empirically estimating these distributions through resampling procedures and deriving a confidence interval with them.

To assess whether the indirect effects of trust and distrust are significantly different from each other, we followed Preacher and Hayes' procedures and summarized the results of the bootstrapping tests (5,000 resamples, $N = 277$) in Tables 4 and 5. Like in the Sobel tests, the specific indirect effect of X on Y via mediator M1 or M2 is defined as the product of the two unstandardized paths (e.g., $X \rightarrow M1$ and $M1 \rightarrow Y$ controlling for X). The total indirect effect of X on Y is the sum of the specific indirect effects of M1 and M2). The significance of the total indirect effect indicates whether the multiple mediator models have an overall good fit.

As Table 4 shows, the indirect effects of anger on the four competitive goals were all significantly mediated by distrust, but not trust; the difference of the two paths was statistically significant for two of the competitive goals ($p < .05$), "to get a better deal" and "to gain power over the other party," and approached significance for the other two ($p < .10$), "to withhold information" and "to attack the other's face." The addition of trust as a mediator for explaining anger's influence on competitive goals proved to be unnecessary.

Similarly, as Table 5 shows, the indirect effects of compassion on the four cooperative goals were all significantly mediated by trust, but not distrust; the difference of the two paths was statistically significant for three of them ($p < .05$), "to maximize both parties' profit," "to promote information exchange," and "to promote a positive relationship," and

Table 4. A Contrast of the Mediation Effects of Trust and Distrust on the Influence of Anger on Competitive Goals

	The Influence of Anger (X) on											
	To get a better deal than the counterpart (Y ¹)			To withhold information (Y ²)			To attack the other's face (Y ³)			To gain power over the other (Y ⁴)		
	Estimate	SE	Z	Estimate	SE	Z	Estimate	SE	Z	Estimate	SE	Z
Indirect effects												
Distrust (M ₁)	.05**	.02	2.70	.05**	.02	2.60	.06**	.02	2.92	.03*	.02	2.03
Trust (M ₂)	.00	.01	0.07	.01	.01	0.47	.01	.01	0.93	.01	.01	0.96
Total (M ₁ + M ₂)	.05*	.02	2.47	.05*	.02	2.61	.07*	.02	3.15	.02	.02	1.15
Contrast												
Distrust-trust (M ₁ -M ₂)	.05*	.02	2.03	.04 [†]	.02	1.74	.04 [†]	.02	1.77	.05*	.02	2.02

[†]p < .10. *p < .05. **p < .01.

Table 5. A Contrast of the Mediation Effects of Trust and Distrust on the Influence of Compassion on Cooperative Goals

	The Influence of Compassion (X) on											
	To maximize both parties' profit (Y ¹)			To promote information exchange (Y ²)			To enhance the other's face (Y ³)			To promote a positive relationship (Y ⁴)		
	Estimate	SE	Z	Estimate	SE	Z	Estimate	SE	Z	Estimate	SE	Z
Indirect effects:												
Trust (M ₁)	.05**	.02	2.56	.05**	.02	2.73	.03*	.02	1.95	.05**	.02	2.86
Distrust (M ₂)	.00	.01	0.46	.01	.01	0.50	.00	.00	0.20	.00	.00	0.64
Total (M ₁ + M ₂)	.05*	.02	2.58	.06*	.02	2.71	.03*	.02	2.01	.05**	.02	2.86
Contrast												
Trust-distrust (M ₁ - M ₂)	.05*	.02	2.44	.05**	.02	2.59	.03 ⁺	.02	1.87	.05**	.02	2.76

*p < .10. **p < .05. ***p < .01.

approached significance for the other goal, "to enhance the other's face." The addition of distrust as a mediator for explaining compassion's influence on cooperative goals proved to be unnecessary.

Discussion

Whereas empirical work on emotion in negotiation has primarily focused on the direct effects of emotions on negotiation performance, the current study delves into the psychological mechanisms that lead to such effects. Specifically, we examined the paths through which anger and compassion, two discrete emotions that differ in valence (negative vs. positive) and appraisal (other-person vs. situational control), influence negotiators' interaction goals through trust and distrust, two related, but functionally distinct constructs. We found that whereas the effects of anger (a negative emotion with appraisal of other-person control) on competitive goals were mediated by distrust, but not trust, the effects of compassion (a positive emotion with appraisal of situational control) on cooperative goals were mediated by trust, but not distrust. These findings not only shed light on the cognitive processes through which anger and compassion influence negotiation behavior but also support the proposition that trust and distrust represent two distinct psychological processes that are associated with different antecedents and consequences. This section reviews major findings of the study and discusses its theoretical and practical implications as well as limitations and directions for future research.

The Effects of Anger and Compassion on Negotiators' Interaction Goals

Recent research shows that the relative importance that negotiators place on interaction goals is associated with the specific bargaining tactics they use as well as their own and their counterpart's negotiation outcomes (Liu & Wilson, in press). Based on this premise, this study examined how angry and compassionate feelings toward the counterpart influenced the ways in which negotiators (re)formulate their interaction goals. Given the contextual features of a job contract negotiation, we measured eight interaction goals that varied in type (instrumental, identity, and relational) and motivational orientation (competitive vs. cooperative) after participants were primed with an imagined emotion-inducing interaction. Consistent with prior research suggesting that anger provokes an intention to attack, whereas compassion is associated with an ability to take another's perspective and a willingness to help, this study found that anger drives negotiators to place more importance on competitive goals, such as wanting "to get a better deal than the counterpart," "to attack the other party's face," and "to gain power over the other party," whereas compassion causes people to place more importance on cooperative goals, such as wanting "to enhance the other's face." In addition to these zero-order effects, our mediational analyses further revealed that anger has an indirect effect on all four competitive goals (also including "to withhold information") through distrust, whereas compassion has an indirect effect on all four cooperative goals (also including "to maximize both parties' profit," "to promote information exchange," and "to promote a positive relationship") through trust.

On a theoretical level, this study identifies viable mechanisms for explaining the dynamic psychological processes through which anger and compassion influence negotiation performance. For example, Allred et al.'s (1997) study found that negotiators who felt more anger and less compassion toward the counterpart achieved fewer joint gains and had less desire to work with each other in the future. Findings from this study suggest that these effects take place because such an emotional state causes negotiators to redefine the bargaining situation toward a more distributive (competitive) and less integrative (cooperative) direction. Specifically, given that angry feelings arise from the perception that the other party has intentionally engaged in negative behavior, they tend to activate an individual's negative expectation of the other party's future behavior, or distrust; such a negative assessment of the other's intentions and motives will in turn provoke an intention to protect oneself from being taken advantage of, such as placing greater importance on wanting "to withhold information," as well as a "win-lose" frame to view the negotiation, hence the desire "to get a better deal," "to gain more power than the other party," and even "to attack the other's face."

Likewise, because compassionate feelings arise from the perception that the other party had to engage in negative behavior due to external, uncontrollable factors, they tend to activate an individual's positive memory concerning the other party's intentions and motives, and therefore positive expectation of the person's future behavior, or trust; such a positive judgment will in turn invoke prosocial tendencies, such as placing greater importance on wanting "to enhance the other's face" and "to promote a positive relationship with the counterpart," as well as a "win-win" frame to view the negotiation, hence the willingness "to maximize both parties' profit" and "to promote information exchange."

These findings provide additional support to existing models that explain the relationship between emotions and beliefs (e.g., the affect-as-information model; Schwarz & Clore, 1988), with evidence from integral emotions. Consistent with Tiedens and Linton's (2001) study suggesting that emotions associated with certainty appraisals promotes heuristic processing, in this study anger and compassion (both involving certainty appraisals) produced valence-congruent effects on trust and distrust judgments as well as interaction goals. Nevertheless, as Forgas's (1995) affect infusion model suggests, when individuals adopt motivated processing (i.e., deliberate information search guided by a specific objective), the likelihood of affect infusion can be reduced. Research shows that motivated processing is more likely when people become aware of the causes and consequences of their emotions (Berkowitz, Jaffee, Jo, & Troccoli, 2000). Understanding the paths through which cognitive appraisals give rise to emotions and in turn influence negotiators' judgments and goals, therefore, will allow negotiators to consciously seek information and formulate goals in order to combat the negative impact of emotions on their own and their counterpart's behaviors and outcomes.

On a practical level, the study provides insight into the management of not only one's own but also the counterpart's emotions. Given the indirect effects of anger and compassion on interaction goals through trust and distrust, it is desirable for negotiators to gain trust from their counterparts by eliciting their feelings of compassion. Findings from this study suggest that this can be achieved by managing the counterpart's attribution

of responsibility, which involves reducing the apparent competitiveness of one's own behavior (e.g., verbal aggressiveness) and proactively providing information (personally or through a third party) to the counterpart concerning external, uncontrollable causes for behavior that may be negatively perceived. In doing so, a negotiator can also reduce the counterpart's angry feelings and perception of distrust, leading the bargaining process toward a more cooperative (integrative) and less competitive (distributive) direction. Thus far, many prescriptive maxims regarding the role of emotion in negotiation focus on dealing with one's own emotions; this study recognizes the interdependent nature of the bargaining process and suggests that it is also important to modify the other party's emotions, beliefs, and motivations through effective information exchange.

The Distinct Roles of Trust and Distrust in Negotiation

The study also provides empirical support to scholarship that views trust and distrust as two related, but qualitative different constructs (e.g., Kramer, 1999; Lewicki et al., 1998). The mediation effects that trust and distrust had on the relationship between the two discrete emotions (anger and compassion) and negotiators' various interaction goals were statistically different in most cases. Specifically, although angry feelings reduced trust and increased distrust, compassionate feelings increased trust but did not necessarily reduce distrust. In addition, trust increased the importance that negotiators placed on all cooperative goals, whereas it had no effect on negotiators' pursuit of competitive goals. On the other hand, distrust increased negotiators' perceived importance of all competitive goals but was negatively associated with only a couple of cooperative goals with a weaker strength of association. It is evident that trust and distrust are associated with distinct antecedents and consequences. On a theoretical level, the study suggests that distrust as a distinct construct demands as much attention as trust because it yields unique insights into the processes by which anger and compassion influence negotiation.

Furthermore, the study suggests that trust and distrust play an important role in accounting for the effects that anger and compassion have on negotiators' goals.⁴ Without introducing trust and distrust as viable mechanisms, our understanding of how these two emotions influence motivation is limited. For example, based on zero-order correlations, compassion appeared to influence only one cooperative goal ("to enhance the other's face"), whereas meditational analyses revealed that compassion had an indirect effect on all the other cooperative goals ("to maximize both parties' profit," "to promote information exchange," and "to promote a positive relationship") through trust. Similarly, anger appeared to have no influence on perceived importance of "withholding information" according to the zero-order correlation, but a mediation analysis revealed its indirect effect on this goal through distrust.

To date, most research on emotion in negotiation focuses on direct links between emotions and negotiation performance. Prescriptive maxims based on the direct links are sometimes inconsistent (for a review, see Thompson, Medvec, Seiden, & Kopelman, 2001). For example, negotiators have been advised to avoid or suppress anger during negotiation because it leads to smaller joint gains and has no effect on the portion of value individuals

claim for themselves (Allred et al., 1997). Competing maxims, however, advise them to “rant and rave” because anger allows individuals to get a better deal (Sinaceur & Tiedens, 2006; Van Kleef et al., 2004). The current study suggests that by identifying the underlying mechanisms we may be able to generate new insights into the functions of emotions (that are lost in direct links) and possibly reconcile some of the existing inconsistencies. For example, the indirect effect of anger on wanting “to withhold information” through distrust may explain why anger leads to smaller joint gains in integrative bargaining situations, whereas its positive effects on wanting “to get a better deal” and “to gain power over the other” may explain why it allowed individuals to claim more value in distributive bargaining situations.

On a practical level, we can conclude that trust is particularly important in bargaining situations that contain integrative potential and where negotiators have a long-term relationship beyond negotiation. This is because trust tends to motivate prosocial tendencies, such as wanting to enhance face concerns and to establish a positive relationship, as well as integrative motives, such as information exchange directed at maximizing joint gains. On the other hand, distrust can be important in distributive bargaining situations where value-claiming is critical, because distrust drives individuals to be more vigilant against potential exploitation by the opponent. Perhaps more important, trust and distrust as two distinct constructs can coexist; because most negotiations are mixed-motive in nature, it is important for negotiators to be aware of their respective antecedents and consequences and to balance the bargaining processes through conscious management of both their own and their counterpart’s trust and distrust.

Limitations

Like any research, this study has several limitations that may constrain the generalizability of its findings. First, participants in this study were university students at the undergraduate level with a limited amount of work experience. Although the hypothetical scenario described a job-offer negotiation situation that college students commonly encounter as a prospective employee, a sample that consists of working professionals is more desirable to enact the role of the recruiting manager. Second, although we successfully induced anger and compassion through manipulation of judgment of responsibility, we accomplished this goal by providing participants with standard responses given by a hypothetical counterpart in the survey rather than an actual person through face-to-face negotiation interaction. It may be important for future research to triangulate the current findings with interaction-based negotiation simulations. Third, we measured participants’ interaction goals through self reports for an imagined subsequent negotiation. Although these one-time reports provide insights into participants’ motivational tendencies in response to an emotion-inducing event, future research should measure interaction goals using alternative methods, such as stimulated recalls after face-to-face interactions, to capture the dynamic nature of interaction goals (see Keck & Samp, 2007). Finally, findings from this study were derived from a Western sample that was predominantly White and of middle-class backgrounds. Future research should replicate the study in other cultures or ethnicities to see whether these models can be generalizable to other cultures.

Appendix

Measurement Items for Trust and Distrust

Trust

1. To what extent do you trust Mr. Hale?
2. To what extent are you willing to count on Mr. Hale?
3. To what extent would you like to make friends with Mr. Hale?
4. To what extent are you willing to cooperate with Mr. Hale?

Distrust

1. To what extent do you believe that Mr. Hale would harm you?
2. To what extent do you believe that Mr. Hale would take advantage of you if he had the opportunity?
3. To what extent do you believe that you need to protect yourself from Mr. Hale?
4. To what extent do you believe you need to stay away from Mr. Hale?

Measurement Items for Interaction Goals in Negotiation

To Get a Better Deal Than the Counterpart (competitive, instrumental)

1. I want to get a better deal than Mr. Hale.
2. I want to make sure that Mr. Hale does not get a better deal than I do.
3. I want to reach an agreement that benefits me more than Mr. Hale.
4. I want to achieve higher profit in this negotiation than Mr. Hale.

To Maximize Both Parties' Profit (cooperative, instrumental)

1. I want to maximize the total benefit for both parties.
2. I want to find a solution that meets both parties' needs and concerns.
3. I want to make sure both parties get what we want in the negotiation.

To Withhold Information (competitive, instrumental)

1. I want to make sure Mr. Hale will not know my weaknesses.
2. I want to make sure Mr. Hale will not know my bottom line.
3. I want to make sure I withhold information that will put me to a disadvantage.
4. I want to conceal the truth about problems in my proposal.

(continued)

Appendix (continued)

To Promote Information Exchange (cooperative, instrumental)

1. I want both parties to share information to find a mutually acceptable solution.
2. I want both parties to be open and honest about our needs.
3. I want both parties to find a common ground by sharing information about our goals.

To Attack the Other Party's Face (competitive, identity)

1. I want to tell Mr. Hale that he makes poor arguments that do not hold water.
2. I want to tell Mr. Hale that his lack of compassion is annoying to me.
3. I want to tell Mr. Hale that his lack of support let us down.
4. I want to tell Mr. Hale that he keeps asking irrelevant (and stupid) questions.

To Enhance the Other Party's Face (cooperative, identity)

1. I want to tell Mr. Hale that he appears considerate and understanding.
2. I want to tell Mr. Hale that he appears friendly and polite.
3. I want to tell Mr. Hale that he appears sincere and trustworthy.
4. I want to tell Mr. Hale that he is a competent negotiator.
5. I want to tell Mr. Hale that he appears confident in the negotiation.

To Gain Power Over the Other Party (competitive, relational)

1. I want to convince Mr. Hale that I can walk away from the negotiation if he does not meet my demands.
2. I want to convince Mr. Hale that he needs me more than I need him.
3. I want to convince Mr. Hale that he will not be able to get a better deal elsewhere.
4. I want to convince Mr. Hale that I do not have to reach an agreement with him because I have other options to achieve my goals.

To Promote a Positive Relationship (cooperative, relational)

1. I want to establish a positive work relationship with Mr. Hale in the negotiation.
 2. I want to tell Mr. Hale that I want to work with him in the future.
 3. I want to tell Mr. Hale that I care about our relationship.
 4. I want to convince Mr. Hale that we have a long term work relationship beyond this negotiation.
-

Authors' Note

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Notes

1. Scholars have not reached consensus on how compassion should be distinguished from pity. Some consider compassion as requiring a certain degree of equality and pity as regarding its object as inferior (Ben Ze'ev, 2000), whereas some believe that the distinction may be historically and culturally specific (Goetz, 2008; Nussbaum, 1996).
2. Research has identified many social motives—competitive (win-lose), cooperative (win-win), individualistic (proself), altruistic (proother), and so on (Carnevale & De Dreu, 2006). Given that the purpose of the study is to shed light on how anger and compassion result in more distributive or more integrative bargaining processes, we focus on interaction goals that are competitively and cooperatively oriented.
3. Mediation analyses show that judgment of responsibility had a mediated (indirect) effect on distrust through anger, $r = .03$, $z = 2.17$, $p < .05$, and a mediated (indirect) effect on trust through compassion, $r = -.01$, $z = -2.92$, $p < .01$.
4. The current study identifies trust and distrust as viable mechanisms for explaining the influence of anger and compassion on negotiators' interaction goals because of the theoretical connections between these constructs; however, it is not our intention to make a general claim that trust and distrust can also mediate the influence of other emotions on the negotiation process.

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Bios

Meina Liu (PhD, Purdue University, 2006) is an assistant professor in the Department of Communication at the University of Maryland, College Park. Her research interests focus on intercultural communication, organizational communication, and negotiation and conflict management.

Chongwei Wang (MS, Chinese Academy of Science, 1998; MS, The Ohio State University, 2001) is a teaching fellow in the Department of Management and Marketing at the Hong Kong Polytechnic University.