

# The choice is yours, but should it be? Assigning emphasis overcomes gain/loss asymmetries

Kirstin C. Appelt & E. Tory Higgins  
Columbia University

## Abstract

When negotiators are allowed to **choose** whether to emphasize their gain or loss issue, negotiators who choose their loss issue are more demanding on, and reach better negotiated outcomes on, their loss issue. Emphasizing the gain issue has no effect.

When negotiators are **assigned** to an issue emphasis, the Role x Emphasis interaction is replaced by a main effect of emphasis. Negotiators are more demanding on, and reach better negotiated outcomes on, the issue they were asked to emphasize, whether gain or loss.

**Negotiators assigned an issue to emphasize overcome the gain/loss asymmetry resulting from choosing an issue to emphasize.**

## The Case

“The Job” is a 2-issue negotiation:

- Weekly hours represent a loss for candidates, but a gain for recruiters.
- Yearly salary represents a gain for candidates, but a loss for recruiters.

## Method

- Participants were randomly assigned to roles (candidate or recruiter) and pairs.
- Ps read the case information and completed a questionnaire before negotiating.

### Study 1

- Ps ( $N = 219$ ) were free to emphasize hours or salary.

### Study 2

- Ps ( $N = 238$ ) were randomly assigned to an emphasis on hours or salary.

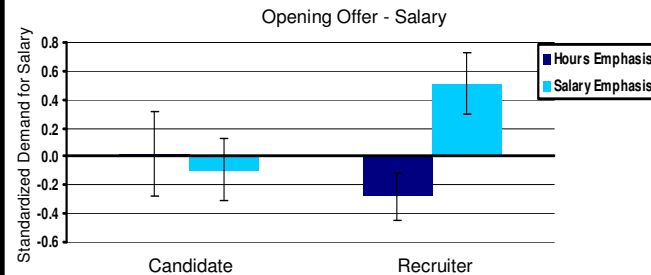
Funding was provided by NSF grant BCS-0415583 & NIMH grant 39429.

## Study 1 - Results

- Ps' ratings of issue importance,  $r(219) = .86, p < .001$ , were combined into an *emphasized issue* variable.
- **For both planned and actual opening offer, there was a Role x Emphasized Issue interaction.**



Role x Emphasized Issue:  $F(1, 92) = 2.45, p = .12$

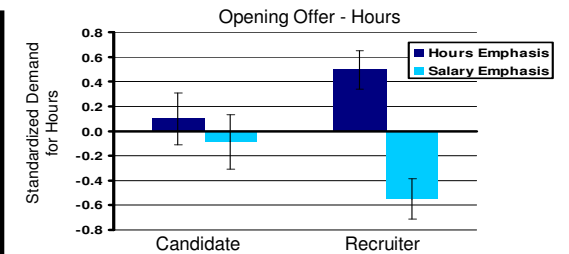


Role x Emphasized Issue:  $F(1, 81) = 4.38, p = .04$

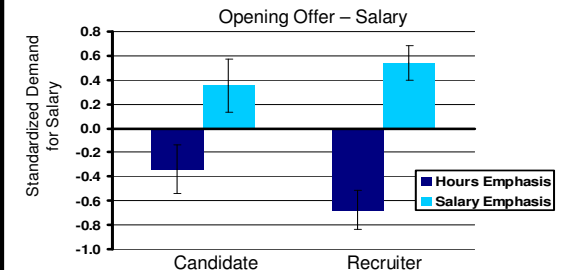
- For agreement amount, we found a similar pattern:
  - Candidates, *but not recruiters*, emphasizing hours negotiated better hours.
  - Recruiters, *but not candidates*, emphasizing salary negotiated a better salary.

## Study 2 - Results

- Manipulation checks ensured that Ps emphasized their assigned issue.
- **For both planned and actual opening offer, there was a main effect of emphasized issue.**



Emphasized Issue:  $F(1, 97) = 10.21, p = .002$   
Role x Emphasized Issue:  $F(1, 97) = 4.90, p = .03$



Emphasized Issue:  $F(1, 92) = 28.43, p < .001$

- For agreement amount, a similar pattern:
  - Candidates *and* recruiters emphasizing hours negotiated better hours.
  - Recruiters *and* candidates emphasizing salary negotiated a better salary.

## Conclusion

Because negotiators assigned an issue to emphasize overcome the gain/loss asymmetry resulting from choosing an issue to emphasize, negotiators may be better off being told which issues to emphasize in upcoming negotiations.

## References

- Appelt, K. C. (2009). *When the role fits: Increasing demand in negotiation* (Unpublished doctoral dissertation). Columbia University, New York, NY.
- Kahneman, D., & Tversky, A. (1979). Prospect theory: An analysis of decisions under risk. *Econometrica*, 47, 263-291.
- Tom, S. M., Fox, C. R., Trepel, C., & Poldrack, R. A. (2007). The neural basis of loss aversion in decision-making under risk. *Science*, 315, 515-518.

kappelt@psych.columbia.edu  
www.kirstinappelt.com