

How Emotions Influence Decision Making: A Summaryⁱ

Affect is the general term used to describe three types of states—moods, emotions, and decision-generated affect—that can influence strategic decision making. The three affective states include:

1. **Moods.** Moods are broad, low-intensity affective states that are diffuse, long-lasting, and generalized across all situations or responses. Moods are generally based on internal factors such as weather, temperature, and various events, e.g., seeing a traffic jam. Moods are generally not directly related to any one particular event or situation.
2. **Emotions.** Emotions are specific and intense feelings that are directly related to a specific event or object. Examples of emotional states include fear, anger, happiness, pride, and sadness. Each of these emotions may arise out of a specific event or situation, e.g., seeing a traffic jam. These emotions are directly related to the event and are generally not directly related to any other event or situation. The higher intensity and more specific nature of emotions suggests that they are more conscious and affect more specific events.
3. **Decision-generated affect.** These affective states result from decision-making activities. They are often a high-order, complex feeling that is generated by a specific event or situation, e.g., seeing a traffic jam. These emotions are directly related to the event and are generally not directly related to any other event or situation.

DISCRETE EMOTIONS & THEIR EFFECT ON DECISION MAKING

This note provides a detailed overview of specific emotional states pertinent to decision making. It defines the emotional state, describes the physical manifestations of the emotional state, and provides a summary of how each emotion influences decision making.

Studying this table should help improve your decision making by providing insights into how emotions influence the decision-making process.

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Discrete Emotion	Definition	Accompanying physical characteristic	Consequences in decision making
Fear	<ul style="list-style-type: none"> - Dread of impending disaster and an intense urge to defend oneself - Apprehensive anticipation of future danger or misfortune - Differs from anxiety in having an identifiable eliciting stimulus 	<ul style="list-style-type: none"> - Dysphoria or somatic symptoms of tension - Skin conductance responses - Cold sweat, pale face, dry mouth, trembling lip - Varying speech tone - Heart rate deceleration - High pulse 	<ul style="list-style-type: none"> - Low level of certainty, high risk perception <ul style="list-style-type: none"> o Make pessimistic judgments about future events - Financial decision making <ul style="list-style-type: none"> o Sell stock earlier than usual, particularly when individuals believe the value of stock is peer-generated (not computer generated) o Increase risk-averse lottery choice (vs. anger). The pattern is reversed when the uncertainty in a decision is person-based. - Adjustment <ul style="list-style-type: none"> o Less likely to change their self-generated initial anchor value (vs. anger)
Anger	<ul style="list-style-type: none"> - Strong, uncomfortable and sustained response to a perceived provocation, insult or injury 	<ul style="list-style-type: none"> - Facial flushing - Dilated pupils and increased heart rate - Increased skin temperature - Increased skin conductance - Increased blood pressure - Increased heart rate - Increased speech rate - Increased speech volume - Increased speech intensity 	<ul style="list-style-type: none"> - High level of certainty, low risk perception <ul style="list-style-type: none"> o Make optimistic judgments about future events - Financial decision making <ul style="list-style-type: none"> o Buy stock earlier than usual, particularly when individuals believe the value of stock is peer-generated (not computer generated) o Decrease risk-averse lottery choice (vs. fear). The pattern is reversed when the uncertainty in a decision is person-based (vs. computer-based) - Adjustment <ul style="list-style-type: none"> o Less likely to change self-generated initial anchor value o Less likely to change initial preference after receiving preference information (vs. fear)
Sadness	<ul style="list-style-type: none"> - A negative and sustained state of mind after a person believes that they have suffered the loss of something of value or a perceived violation of social standards 	<ul style="list-style-type: none"> - Facial grimace with downturned mouth - Increased skin temperature - Increased skin conductance - Increased heart rate 	<ul style="list-style-type: none"> - High level of certainty, low risk perception <ul style="list-style-type: none"> o Make optimistic judgments about future events - Financial decision making <ul style="list-style-type: none"> o Buy stock earlier than usual, particularly when individuals believe the value of stock is peer-generated (not computer generated) o Decrease risk-averse lottery choice (vs. fear). The pattern is reversed when the uncertainty in a decision is person-based (vs. computer-based) - Adjustment <ul style="list-style-type: none"> o Less likely to change self-generated initial anchor value (vs. fear) o Less likely to change initial preference after receiving preference information (vs. fear)

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