Contrary to lay beliefs, physiological changes that co-occur with stressful social situations are not necessarily negative. Cognitive appraisal processes help make meaning of signs of stress arousal and construct affective responses to social stress. Building on theory and research from the emotion and psychophysiological literatures, the research presented here demonstrates that manipulating appraisals of arousal improves affective responses and performance outcomes in situations of acute stress. Basic processes, applications, and future directions will be discussed.