

Negotiation & Dispute Resolution

Fall 2005 LGST #206, MGMT291, OPIM29; Section 409
University of Pennsylvania // The Wharton School
Professor: Dr. Jennifer Beer

This syllabus will be updated throughout the semester and posted on WebCafé.

WebCafé also has web page links, handouts, assignment sheets, and other course materials. You must get a Wharton email address to access WebCafé.



Office: Legal Studies, 6th floor, Huntsman 619

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Purpose of the Course

Welcome to Wharton's Negotiation & Dispute Resolution course. I hope this class will be stimulating, informative, and build your confidence for the many kinds of negotiations you will encounter in your careers.

To make your ideas and goals a reality, you need to know how to elicit generous cooperation and resources from others. This course is designed to improve your effectiveness in negotiating, mediating, and resolving conflicts. We will look at many types of business external negotiations, such as purchases and sales, joint ventures, agents, partnerships, labor agreements, as well as the internal negotiations involved in working with others. We will also bring in examples from personal life and from political negotiations.

By the end of the semester, you should have basic competence in 4 areas:

1. *Concepts:* Recognize and be able to explain to a less skilled negotiator:

- ✓ Dynamics of conflict and negotiation.
- ✓ Factors that facilitate and those that hinder effective negotiation.
- ✓ Ways to structure a negotiation or mediation.
- ✓ Ethical and cross-cultural issues.
- ✓ When a 3rd party might be useful.

2. *Preparation, Strategy, Teamwork:* Understand the basics of:

- ✓ Preparing for negotiation or mediation.
 - ✓ Setting negotiation goals, understanding and evaluating strategic options.
 - ✓ Working with an agent, a negotiation team, or a coalition.
3. *Personal Awareness*: Know your preferred approaches to negotiation and conflict, your strengths and weakness. Expand your awareness and repertoire.
 4. *Experience*: Accumulate hands-on experience in negotiation through classroom exercises, assignments, peer feedback, and paying attention to negotiation in your “real” life.

Readings

1. *Bargaining for Advantage: Negotiation Strategies for Reasonable People*. G. Richard Shell, Penguin, 1999.
2. *Getting to Yes. Negotiating Agreement Without Giving In*. Penguin, 1991. Roger Fisher, William Ury, and Bruce Patton.
3. Bulk Pack, available from Wharton Reprographics.
4. Optional: *The Mediator's Handbook*. Jennifer Beer with Eileen Stief. New Society Publishers, 1997.

In addition, minor costs of photocopying roleplays and other handouts will be billed to students at the end of the term.

Getting to Yes is the classic work on interest-based negotiation, and you can read this one quickly. *Bargaining for Advantage* and *The Mediator's Handbook* are reference books you can use long after this class is over to help prepare yourself for a negotiation or dispute intervention.

We will refer to readings in class but will not concentrate on reviewing them. Some Bulk Pack readings are required; the rest are intended as extra information and reinforcement. You may choose to skim or even skip a reading which does not interest you. Use your judgment. However, you are expected to use the Bulk Pack readings in class assignments and the final project.

Guest Lectures

All sections of Wharton's 206 Negotiation & Dispute Resolution are fortunate to have two guest lectures during the semester. These lectures replace two class sessions, and attendance is therefore **required**. Video will be available for those who cannot make the guest sessions. Information about where & when will be posted on WebCafé.

Assignments and Evaluation

Reflecting the course objectives, grading will be based on two main factors: Your *practice* of negotiation and mediation, and your *intellectual grasp* of fundamental concepts.

Attendance.

******This course is highly interactive and depends on each person preparing, attending, and participating fully. Your roleplay group can't proceed without you!******

Attending regularly and participating in class is *expected*, not rewarded. Attendance only affects your grade if your attendance / promptness is a problem.

- You may miss up to 3 classes without a grade reduction, *provided you let me know by the day before class*. This includes “good excuse” absences.
- Missing a kaizen team meeting counts as a class absence.
- You must arrange a make-up for missed roleplays (this includes finding people to play the other roles), however the absence will still be counted. Roleplays that are not made up will lower your class assignment grade by one level.

A. Classwork and assignments 15% + 25%

Class participation is not graded. Everyone participates in this class! If you or I have a concern about the nature of your class participation, we'll discuss that privately.

Written assignments: Most weeks, you will write 1-2 page assignments: roleplay preparation, writeups, and peer feedback, post-exercise analyses, etc. Guidelines for particular assignments will be posted on WebCafé.

- Your grade for the first 5 weeks' assignments will be posted on Web Café just before the drop period ends (15% of your grade). The assignment grade for the 2nd part of the semester will count 25% of your course grade.
- Individual assignments will be marked as follows:
 - ✓- Assignment is complete but needs more substance and/or organization.
 - ✓ Draws out key learnings, has some self-reflection, connects the roleplay experience with classwork or readings.
 - ✓+ All of the above, with significant use of readings, and/or unusual or compelling insights.
- If you find copious comments on your assignment, don't panic! Often the best work gets the most commentary. Class assignments will **not** be downgraded for poor writing or grammar, so please take my copyediting comments as bonus feedback. Furthermore, your grade will **not** be based on whether I agree or disagree with your political or social views, so feel free to state your (well-supported) ideas and opinions.
- I will not always have time to write comments on your assignments. Please come to office hours or email me if you want more feedback.
- You may hand in 1 class assignment late without affecting your grade.

B. Negotiation and conflict resolution skill 15%

- You will receive points for the measurable outcomes of most roleplays. Each role will be compared separately: thus, in a negotiation between Pedro and Anna, all the "Anna" scores will be calculated relative to the other Anna outcomes only. If you can figure out in your roleplay how *both* Pedro and Anna can achieve superior performance, great!
- The general formula (using the buyer role as an example): X is the measure of the buyer's performance: thus if you were willing to spend \$75 for a service (this figure will be a given in the roleplay) but got it for \$43, your performance score $X = 75 - 43 = 32$.

$$\frac{\text{Your } X - \text{lowest buyer } X \text{ in the class}}{\text{Highest buyer } X - \text{lowest buyer } X}$$

I then multiply times 10, which means the lowest performance receives a 0, the highest receives a 10. Sometimes I adjust upward for unfortunate circumstances but I

won't adjust downward. The average score and therefore a "B" grade will be about 5.5.

- In some negotiations, aspects other than *material* outcome may affect your score. This will be discussed during class debrief of those particular roleplays.
- Your self-evaluation at the end of the semester will also be factored into the skill portion of your grade – both your assessment of your strengths, your honest understanding of your weaknesses and challenges.

C. Kaizen Teams 20%

You will join a Kaizen Team of four students that meets regularly to review what you are learning, and to help you apply class learning to your real life negotiations and conflicts. Teams will hold at least 5 substantive meetings spread out during the semester, including one time with me if we can work out schedules.

- Reports: Submit a summary of each meeting (single-space, 1-2 pages, 700 words max). Have a different team member write the report each time.
- If you meet with me, you will not need to hand in a report for that session.
- The 1st and last summaries have a specific due date; Reports 2, 3, and 4 must be handed in at reasonable intervals (not all clumped together!) although there is no specific due date.
- All members must participate in all 5 meetings, and an absence will count as a class absence.
- Your group's grade will reflect how seriously and creatively you used this opportunity to improve your real-life skills and your understanding of concepts and issues.

See the Kaizen page at the end of this syllabus for details.

D. Final Project, 25%:

Choose a *current* conflict or negotiation (a public one, not a personal one), and analyze what a negotiator or conflict intervener could learn from studying that situation. If possible, interview someone who has been involved.

You may write an essay or create a PowerPoint "lesson". This is not a full blown research paper—maximum length will be only 2700 words. The project should demonstrate what you have learned from the readings, kaizen teams, and classwork, and how well you can apply that learning to analyzing a case.

You may work with one other student as a team on this project—see me to discuss your proposal.

Several days before the project is due, everyone will swap with another student to read thoroughly and comment on each other's work. Each PERSON must have a different swap partner – a joint project will thus get 2 or 3 critiques. Choose someone who is not in your kaizen group, and who you think will give you valid feedback. Comments are graded as a class assignment.

Rough draft to swap partner: NOVEMBER 29, in class

Swap comments due: DECEMBER 1, in class.

Project due: DECEMBER 8, final class.

Other expectations

1. Collaborative learning: I encourage you to talk with each other about your assignments. There are two exceptions:

- First, **you may not disclose or discuss roleplay details to any Penn student**—not just your classmates, but students in other negotiation classes, or any student who might take a Wharton negotiation class in the future.
- Second, after discussing an assignment, do your own thinking and writing. Be careful to give credit to all persons (including other students) and sources for ideas, information, and examples that you use in your writing.

I will uphold Penn's academic integrity guidelines, and expect you to do the same. If you aren't sure about how to apply these guidelines, please ask.

2. How to submit assignments:

Unless I specifically request a paper copy of an assignment, you may send them by email attachment to my Wharton address.

- ✓ Put the assignment title in the email subject line.
- ✓ Make a header or footer for your attached document with your name, the assignment title, and the page number.
- ✓ *Single space*, with 1.25" or wider margins for comments.

Do NOT leave anything under my office door. I share the space with others and am not in on non-teaching days. Instead, use my box in the Legal Studies Department, 6th floor Huntsman.

- ✓ If you aren't sure how to do an assignment
- ✓ If you are worried about your grade
- ✓ If you want more challenge or want to explore a topic or skill further
- ✓ If you have low confidence in your negotiation or mediation abilities
- ✓ If you have any concerns about what's happening in class
- ✓ If you are falling behind...

DON'T WAIT! Tell me. Please come to office hours or send me email.

Schedule & Assignments

The version of this schedule posted on WebCafé *will contain the latest updates on activities, assignments, and due dates*, should the schedule need to be changed.

**** Readings and Assignments are due on the day noted. ****

■ = Class day ■ = assignment or event on a non-class day.

■ SEPTEMBER 8: Semester roadmap

Overview of negotiation subject, of semester and syllabus. Your starting point exercises.

Read: Woolf interview in Bulk Pack.

If you don't have the Bulk Pack yet, read: "How to Get Them to Show You the Money", Fast Company Issue 19, page 198, Webber's article about Leigh Steinberg:
<www.fastcompany.com/online/19/showmoney.html>

■ SEPTEMBER 12 (Monday) 10am.

Assignment due by email: your goals, negotiation story, personal information. (See handout at end of syllabus.)

■ SEPTEMBER 13: What Do You Value? – Foundations Of Negotiation

Negotiate and discuss Roleplay #1 (scored). Form Kaizen teams

Read: *Bargaining for Advantage* Intro. Then *skim* the whole book. We'll be reading chapters out of order; this will help you understand the flow of the book.

■ SEPTEMBER 15: Distributive Bargaining: Splitting The Pie

Presentation of basic concepts. Mini-roleplays in class (no write up for these).
Pair off for Roleplay #2 to be negotiated outside class.

Read: *Bargaining for Advantage* Chapters 8-10.

Due: Roleplay #1 write-up.

■ SEPTEMBER 19: (Monday), 9pm. Complete the Thomas-Kilmann instrument in your bulk pack. See WebCafé for link to submit your results.

■ **SEPTEMBER 20: Cooperate? Compete? Throw In The Towel?--Your Preferred Approach**

Debrief Roleplay #2. Distributive bargaining, continued. Discussion of your preferred approaches.

Read: *Bargaining for Advantage* Chapters 1, 2, 4, 7, 12.

Optional: Thompson on Tacit Negotiations.

■ **SEPTEMBER 22: Who has the upper hand? Leverage and Shadow negotiations.**

Negotiation exercise #3 (scored but no writeup) and discussion.

Read: *Bargaining for Advantage*, Chapters 3, 6. // Mu – the Chinese Paper Mill case study

Optional: Kolb et al. <http://www.crossell.com/managing_sn.html >

Due: 1st Kaizen Team report.

Due: write-up for Roleplay #2.

Start reading *Getting to Yes* over the weekend...

■ **SEPTEMBER 27: Understanding *Their* World: Listening, Questioning, Acknowledging**

Discussion and exercises. Roleplay #4 (scored)

Optional: Susskind, When you shouldn't go it alone. // Hammond et al, Hidden Traps

■ **SEPTEMBER 29: Expanding the pie: interest-based negotiation:**

Finish Roleplay #4, debrief. Discuss interest-based negotiation.

Read: *Bargaining for Advantage*, Chapter 5. // Finish *Getting to Yes*.

Optional: Mary Parker Follett "interview"

■ SEPTEMBER 30: (Friday), 5pm. Roleplay #4 write-up due.

OCTOBER

■ OCTOBER 4: **Multiple Buyers**

Handout Email Roleplay #6 (scored)

Negotiate Multiple Buyers Roleplay #5 (scored).

Optional: Ury, Brett, Goldberg on Interests, Rights, Power. // McCarthy's critique of *Getting to Yes*.

Due: It's about time for your 2nd Kaizen Team report.

■ OCTOBER 6: **Interests, Commitments**

Debrief Multiple Buyers Roleplay.

Read: *Bargaining for Advantage* Chapter 10.

Optional: Salacuse, <<http://fletcher.tufts.edu/salacuse/aftercon.html>>

■ OCTOBER 7: (Friday) 5pm. Multiple Buyers Roleplay #5 write up due.

■ OCTOBER 11: **How to say it...? Or not.**

Debrief Email Roleplay #6. Modes of negotiating, non-verbal communication, language. Discuss preparation for negotiations.

Read: Camp – chapter from *Starting with No*.

Optional: Mindell on powerful language

Due: Bring transcript of your email negotiation to class. (There will be no further write up for #6)

■ OCTOBER 12: Class assignment grade Part 1, will be posted on WebCafé.

■ OCTOBER 13: **Strategies for job negotiation**

Exercise and discussion.

Read: *Bargaining for Advantage* prep sheet in appendix.

Optional: Hammond on “Even Swaps”

Due: Bring a prep sheet for job negotiation roleplay (roleplay not scored).

■ **OCTOBER 18: Fall Break, No Class**– Read *Prayer for the City* excerpts

■ **OCTOBER 21: Union / Management negotiations**

Labor Negotiations Roleplay #7 (scored)

Read: *Prayer for the City*.

Due: Write down 2 issues you'd like to discuss about *Prayer for the City* (one paragraph per topic).

■ **OCTOBER 24 (Monday) 5pm:** Short statement about the conflict or negotiation you plan to analyze for your final project. At this first stage, what is your main question or angle into the analysis? For example: “Topic: strike at X airlines last month – did use of media and public opinion as leverage make significant difference in the length or outcome of the strike?”

■ **OCTOBER 25 Complex negotiations**

Roleplay debrief. *Prayer for the City* discussion. Mid-course evaluation.

■ **OCTOBER 27: Ethics**

Read: *Bargaining for Advantage*: Chapter 11.

Optional: Coren on sleep deprivation // Daly on anger.

Due: Labor Negotiations Roleplay #7 write-up.

NOVEMBER

■ **NOVEMBER 1 Conflict in Negotiation, 3rd Party Roles**

Discussion and presentation.

Optional: *Mediator's Handbook* Overview and Mediation Anatomy sections.

It's about time for your 3rd Kaizen Team report.

■ **NOVEMBER 3: No class.**

This week you will complete TWO mediation roleplays (#8, #9 not scored) outside of class. You will be a disputing party in one, a mediator in the other.

Optional: *Mediator's Handbook* — Support, Control, Solving, and Persuasion chapters.

Due: Mediators, please email your agreements or statement of progress/issues still unresolved as soon as the roleplay is finished (1 copy per group).

■ **NOVEMBER 8: Mediation Skills & Approaches, ADR**

Debrief Mediations. Uses of dispute resolution in business settings.

Read: Cleary on mediating labor negotiations

Due: Mediation write-up #8+9 (Cover your experience in both roleplays in the one write-up.)

■ **NOVEMBER 10: Negotiating as a team, negotiating multiple issues**

Team prep for Multi-Issue Team Roleplay #10 (scored).

Read: Reardon on Setting the Agenda.

■ **NOVEMBER 15: Multi-Issue Roleplay**

Read: Thompson on Multiparty, Coalitions, Teams.

■ **NOVEMBER 17: The structure of multi-issue negotiations**

Debrief roleplay.

■ **NOVEMBER 18: (Friday), 5pm. Multi-Issue roleplay #10 write up due.**

■ NOVEMBER 22: **No Class** -- Work on your final project!

Due: It's about time for your 4th Kaizen report.

Optional: Read Sebenius, 6 Habits for a cogent summary of many points covered in class so far.

■ NOVEMBER 24: **Thanksgiving**

DECEMBER

■ NOVEMBER 29: **Negotiating With Multiple Parties**

Multiparty roleplay #11 (scored), part I

Due: Draft of final project to swap partner, in class. Each PERSON must have a different swap partner – a joint project will thus get 2 or 3 critiques. Choose someone who is not in your kaizen group, and who you think will give you valid feedback.

■ DECEMBER 1: **Negotiating With Multiple Parties**

Multiparty roleplay, part II, and debrief.

Due: Comments to swap partner due in class.

■ DECEMBER 6: **Putting it all together...**

Course evaluations. Multi-party negotiations – an in class example. Photo!!

Due: Self Evaluation (No write-up for Multi-party roleplay)

■ DECEMBER 8: **Negotiation & Conflict Resolution: the larger picture.**

Putting negotiation and conflict resolution skills to work. Concluding activities.

Due: Final project, hardcopy. Please email me a copy also.

■ DECEMBER 12 (Monday) noon. Final Kaizen Team report due.

First Week Assignment

Due by email to me by Monday, September 12th, 10am. Email parts 1, 2, 3 to your Kaizen Team before your first meeting.

1. Think through your goals and objectives for the course

- Why do you need to improve your negotiation skills? What are your hopes?

- List your objectives for the *specific* things you hope to be able to do better or to learn by the end of the semester. The more specific and measurable your objectives, the more likely you are to focus your learning effectively.

2. What kind of business/industry/organization do you hope to work for after graduation? Are there particular types of negotiation you want to prepare for (e.g. mergers, contracts with suppliers, union/management, customer service, corporate law, sales)?

3) Briefly describe a difficult negotiation or conflict you've been involved with in this past year. Write about a work-related situation, if possible. One single-space page max!

4) Personal information: Also, please email me the following information. You do not need to send this section to your kaizen teammates:

- a. The name you would like to be called, if it is different from your roster name.
- b. Your phone number. Your preferred email address.
- c. Any difficulties or special situations that I should know about. (for example: hearing loss, scheduling problems which might make you late for class, English not your first language).

Keep your goals statement, because you'll return to it when evaluating the course and your own progress at the end of the semester

Kaizen Teams



Learning to negotiate or to resolve disputes wisely is a life-long project. The challenge in a course like this is to apply what you experience and read in class to improve your actual real life ability to negotiate for yourself and others.

This learning is a bit-by-bit process, hence the name, “Kaizen” which is Japanese for incremental revision, disciplined improvement to achieve something of greater value. Your Kaizen Team will give you a chance to consolidate your class learning, and to think about how to apply it to the “real world” of your work, school, political, and personal life.

Who? You may choose your own team of 4 members. Please keep an eye on diversity as well as familiarity: Significantly different backgrounds? Different majors and career goals? Women and men? Look around the class to see who has been excluded, and invite them in. Scheduling can be a hassle, so try to find students who have the same open times in their week that you do.

How often? Teams should plan to have 5 substantive meetings *spread out* during the semester, including one time with me if we can work out schedules.

1st Meeting: For your first meeting, share the negotiation stories each person wrote for your first assignment. (There’s no need to write these up in your report, as I’ll have received a description from each of you already). Compare these real-life stories with your results from the Thomas-Kilmann conflict styles instrument (in your bulkpack).

Other 4 meetings: After the first meeting, you can focus your time as suits the group.

1. Write an agenda for the meeting (a list of topics to cover or a set of questions to consider). What would you like to learn during your time together?
2. Decide who will be timekeeper, who will write up the session (different people each time). Possible topics include:
 - Discuss **your own negotiation or conflict experiences** and how they connect to what you are learning.
 - **Be strategy coaches** for each other: Try to help members think through difficult negotiation/conflict situations they’re facing. Try roleplaying out a practice run.
 - Review your **roleplay experiences**: What strategies did you consciously or unconsciously follow, and did they work? What were your emotional responses? What was surprising? What do you want to work on for next time?
 - Review and clarify **key points in the presentations and readings**—what caught your attention? What questions do you have? What did you learn that you can actually apply?

Reports: Immediately after each meeting, your group will hand in a short summary (single-space, 1-2 pages — 700 words or less). If you meet with me, you will not need to hand in a report for that session.

Your report should include: a. Names of all present. b. When you met. c. Your agenda. d. A summary of the group's reactions, questions, insights, concerns.

Have a different team member write and distribute the report each time. These reports will be graded as a whole at the end of the semester. *Absences will be counted as a class absence.*

Roleplays & Exercises

Admittedly, exercises and roleplays are not “real life” (and often you’ll be grateful they were just for practice!); nevertheless when approached as opportunities to learn, roleplays are surprisingly informative. Unlike real life, they give you a chance to:

- observe yourself in action
- experiment with unfamiliar approaches without risking dire consequences
- get immediate feedback
- find out what the other side’s situation and reactions **really** were
- see how your skills compare with your peers.

Roleplay Rules:

1. **Shhhhhh**. Do not share your role information beforehand, even with people in other roleplay groups or other negotiation classes, unless I say it is okay.
2. Shhhh again! **AFTER** the roleplay, **do not exchange role sheets** or talk about how the negotiation went until after we’ve discussed the exercise in the class. This takes some discipline, but we will all learn more if you respect this.
3. Stick to the facts on your roleplay sheet. You are welcome to “embroider” information given to make your character or the roleplay storyline more realistic, but do not make up facts or events that change the substance of the negotiation. (In other words, your roleplay persona can choose to lie about the information given, but not to change that information). And please, no accusations of sexual harassment, drunkenness, or other alleged defects of character unless they are written into your roleplay information.
4. Do as well as you can for yourself within the given constraints of your role. That doesn’t necessarily mean defeating everyone else!—skilled negotiators can often find acceptable outcomes for everyone. You may try out any strategy except physical intimidation, fraud (See Shell’s explanation), or any threat/offer directed at the real person as opposed to the person-playing-a-role. Just remember that choosing to alienate your classmates will probably have consequences beyond the immediate roleplay.
5. Afterward, strive to be both honest and kind in your evaluations of others and yourself, a difficult combination which learned well will stand you in good stead as negotiator and in your working life.