

UNIVERSITY OF PENNSYLVANIA
THE WHARTON SCHOOL
DEPARTMENT OF LEGAL STUDIES AND BUSINESS ETHICS

LEGAL STUDIES 206 SYLLABUS
Spring 2007
MONDAYS 3:00-6:00
PROF. KENNETH L. SHROPSHIRE
NEGOTIATION AND DISPUTE RESOLUTION (Undergraduate)

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Course Objectives: Our time together, both in class and electronically, will be focused on enabling you to become a more effective negotiator. This effectiveness in negotiating requires many things, including:

- The creativity to execute deals that others might overlook;
- Knowing when to walk away;
- The patience and insight to understand the expense of litigation and other alternatives and to settle costly disputes;
- The strategic skill to get your fair share of what is negotiated;
- The insight to recognize ethical traps – and the wisdom to avoid them;
- Understanding the importance of relationships;
- The ability to work with people whose backgrounds, expectations, culture, and values differ from your own; and
- The capacity to reflect and learn from your experience

This course links both the science and art of negotiation but it is more “art” than “art appreciation.” It will give you the opportunity to identify your strengths as a negotiator and to work on your relative weaknesses. More fundamentally, the course will provide both a conceptual framework to diagnose problems and promote agreement in a range of settings from your organization to your home.

Non-disclosure Agreement: You must sign and submit the attached agreement before we get underway. If you would prefer not to sign, you must drop the course.

Assigned Reading: G. Richard Shell, Bargaining for Advantage: Negotiation Strategies for Reasonable People (2d. edition, Penguin); Roger Fisher, William Ury & Bruce Patton, Getting to Yes (Penguin 1991); Bulk Pack of additional readings. Also, a complete recommended readings list will be distributed later in the course.

Recommended Reading: Max H. Bazerman & Margaret A. Neale, Negotiating Rationally (Free Press 1993).

GRADING FACTORS:

Nothing is accepted late. Late assignments receive an F. Missing a single class will disrupt the learning environment in this course. **If you miss two classes** you are doing a tremendous disservice to the learning environment and the instructor may give you **an F** in the course absent a medical (not work related) excuse. Attendance includes attending either live or via the Wharton Video Network presentations by two (2) guest speakers. At a minimum, each unexcused absence will cause your grade to be lowered one full step (A to B, B- to C- etc.) If you anticipate that you will have any attendance problems please do not take this course.

1. **Peer Evaluations** (30%): You will rate your classmates on three dimensions using a 1-10 scale – 1 being poor and 10 being excellent: 1) overall preparation and commitment to the exercises and contributions to the course, 2) skill in one-time negotiations where the future relationship does not matter much, and 3) skill in negotiations where the future relationship matters significantly. This will be submitted **AT THE END OF THE COURSE**. There will be a peer evaluation tool posted on webCafé. It is your responsibility to keep track of your evaluations of your fellow students. Your evaluations will be submitted at the end of the term. The final results will be distributed once calculated. There is no need to indicate the class in which you negotiated with the peer. If you negotiate with someone more than once, submit only your single overall evaluation, not two or three. If you do not negotiate with an individual, do not submit a peer evaluation on them.

2. **Negotiation Participation or Performance** (10%): Discretionary points based on professor's evaluation of negotiation performance and/or class participation may be incorporated here. Half page speaker summaries (submitted in to Class 9) may be included in this percentage as well. This may include the ranked grading of individual performances on negotiations designated at the end of the term. The initial "Cessna" or "SUV" journal entry will be considered here. **SUBPARTICIPANTS MAY RECEIVE A ZERO IN THIS CATEGORY.**

3. **Personal Negotiation Description and Strategy "Real World Negotiation" Essay** (5%): In class 3, you are required to submit, in class, a hard copy of a current or past negotiations experience, of a personal, business or academic nature. Also include an application of course principles which could be used to resolve the negotiation. This document should be no longer than one page. **PLEASE SUBMIT ONLY A HARD COPY IN CLASS 4.**

5. **Personal Ethics School Essay** (5%) A **half page** description of your personal ethics school, based upon the readings. **PLEASE SUBMIT ONLY A HARD COPY IN CLASS 7.**

6. **Quiz(zes) and/or Speaker Summaries**(10%): You may be given one or two quizzes based on the assigned readings. These quizzes will be **UNANNOUNCED**. These quizzes will be based solely on the assigned readings up until that point.

7. **Sports Industry Analogies**. (5%): As described in the syllabus, these are due in Class 10.

8. **Analytical Paper** (35% of your grade: 8-12 pages, double-spaced). This paper should focus on some high profile negotiation of the past or present. The paper should display the facts of the negotiation, related negotiation research, as well as your analysis. **TURN IN A PARAGRAPH DESCRIBING YOUR TOPIC IN CLASS 6. THE PAPER IS DUE ON THE FRIDAY FOLLOWING THE LAST DAY OF CLASS.** This is your chance to demonstrate your ability to analyze negotiations as a consultant, advisor, or strategist for others – something we will do throughout the course. Do not use the paper to write about a personal negotiation you face or have faced in the past. This topic is best suited for your journal. **LATE PAPERS WILL RECEIVE AN F. THERE WILL BE ABSOLUTELY NO EXCEPTIONS!**

Viable topics may be found in sports and entertainment (NHL, salary negotiations, stadium financing deals), history (end of the Korean War, Cuban missile crisis), business (AOL-Time Warner, RJR Nabisco merger). The topic should be of interest to you and have enough information available where you can do an in-depth analysis of the negotiation. If you choose to do a topic that is not well documented you may be doing yourself a disservice as this will require more work on your part. However, if it is a topic that truly interests you, you can look into the history of the various parties involved in the negotiation, where you may find richer documentation or find alternative ways of getting undocumented information, such as interviews with insiders. You need more than just a few newspaper articles. You must be able to tie your analysis to topics that we discuss in class or those that you have seen in the readings; your analysis must reflect what you have taken away from this course.

The best papers, those at the “A” level, will include a wide range of citations; negotiations research from beyond the course readings; and, analysis beyond a couple of sittings. They will also include research on negotiations beyond the materials presented in class.

All papers should include appropriate references and citations to relevant books and articles.

Do not exceed the page limit. Again, late papers will receive an F and there will be no exceptions!

CLASS TOPICS AND ASSIGNMENTS

Class 1: Jan. 8, Distributive Bargaining: The “Zone of Agreement.”

Read: Bulk Pack (“BP”) Item #1 and #9 (on recruiting negotiations);
Suggested: Negotiating Rationally Chapter 1, 2 & 9.
Class activity: Negotiate “Cessna” and “SUV.”

JAN. 15 (NO CLASS MARTIN LUTHER KING DAY)

Class 2: Jan. 22, Foundations #1 and 2: Bargaining Styles and Expectations.

Read: Bargaining for Advantage (B for A), Introduction and Chapters 1-2; BP #2, 3, 4.
Suggested: Negotiating Rationally Chapter 3, 4 & 7
Class activities: Negotiation Style Analysis. Negotiate “New Recruit” and possibly “Appleton v. Baker.”

Video: “*Man in the Gray Flannel Suit*”

(One page journal entry on either “Cessna” or “SUV.” Use the format in the sample attached. Due today)

Class 3: Jan. 29, Foundations #1, #4 and #5: Bargaining Style Relationships and Interests.

Read: B for A, Chapters 4 and 5. Suggested: Negotiating Rationally: Chapter 5
Class activity: Negotiate and discuss “Opera Problem.”

Distribute “House Sale”

Video: “*Ray*”

Principal and Agent must negotiate their arrangements prior to the start of the next class.

Class 4: Feb. 5, Foundation #3: Standards & Agents. (Agents begin negotiating at 3:00. Class begins at 4:15)

Read: B for A, Chapter 3; BP #5 and #6; Suggested: Negotiating Rationally Chapter 15
Class Activity: Negotiate and discuss “House Sale.”

(One page paper on your “Real World Negotiation” is due today)

Class 5: Feb. 12, Foundation #6: Leverage.

Read: B for A, Chapter 6; Suggested: Negotiating Rationally Chapter 8
Class Activity: “Pheasant Egg”

Video: "Mommie Dearest"

Class 6: Feb. 19, Trust and Commitment

Read: BP #7-8; Suggested: Negotiating Rationally Chapters 13 – 14.
Class Activity: "Carpet Wars."

Video: "Erin Brockovich"

(One paragraph description of your paper topic is due today)

FEB. 26 (NO CLASS)

MARCH 3-11 (NO CLASS, SPRING BREAK)

Class 7: March 12, Ethics

Read: B for A, Chapter 11.
Class activity: "ACME Roofing."

(A half-page paper on your personal approach to ethics, using discussed framework from B For A Chapter 11 is due today)

MARCH 19 (NO CLASS)

Class 8: March 26, Negotiation Analysis, Preparation, Coalitions, and Culture.

Read: Getting To Yes (ALL); B for A, Chapter 7, and (optional) BP #8.
Class Activity: Negotiate "Federated Science Fund." and "Alpha Beta"

APRIL. 2 (NO CLASS)

Class 9: April. 9, Negotiation Lessons from Sports

Class Activity: "Player Salary Negotiation." "Endorsement Deal Negotiation"

(Two one-half page speaker summaries are due on or before this class. These should be brief descriptions of the topic delivered by each speaker and the key lesson(s) you learned).

Class 10: April. 16, Multi-Party Negotiations

Prepare: BP #12.

Class activity: "Harborco."

Video: "Bad Santa"

(A half page description of a sports negotiation illustrating any of the principles we have learned during the semester is due today. Attach one relevant newspaper or magazine clip describing the event you are referring to. It may be a labor, salary, endorsement, team purchase or any other type or deal in any sport you desire)

FINAL PAPERS ARE DUE FRIDAY, APRIL 20 BEFORE NOON

PEER EVALUATIONS MUST BE SUBMITTED BY 5:00PM WEDNESDAY, APRIL 18.

**SAMPLE ESSAY/JOURNAL ENTRY. THIS EXAMPLE FOCUSES ON A REAL-LIFE
HAGGLE EXPERIENCE**

Your Name: Jane Doe

Counterparts' Name(s): Jim (Fitness Club Supervisor)

Date: October 3, 2001

Name of Negotiation Exercise (or Real World Event): "My Hagggle With a Fitness Club"

1. **FACTS.** Fitness Club replaced the type of weight lifting equipment I like two weeks after I joined. Asked the person at the desk for refund so I could join another club that had the right equipment. Desk person: "The club does not give refunds as a matter of policy." I asked to see a supervisor; made the same request; got the same answer. Took a break, went to the bathroom and thought it over. I realized that the reason I needed the particular equipment was to follow a physical therapy routine given me by a physician. Several pieces of equipment removed did not have equivalents in the new type. I returned to the supervisor and laid out my reasons for not being satisfied with the new equipment; offered to show the supervisor my medical records. He said it was still the policy not to grant refunds. "I understand the policy. Have you ever made an exception to that rule for medical or hardship reasons?" I asked. He looked at me a moment and offered to refund the balance of the fee, after taking out first month. I accepted!

2. **MISTAKES.** Should have been better prepared and had my reasons and even a copy of my physical therapy regime with me when I opened. This would give me credibility. I should also have gone to the supervisor in the first place. Find the decision-maker! Finally, I should have pushed a little at the end and asked what the problem was with getting a refund for the full time I was foregoing the Club. I gave up as soon as he said "yes." I could also have offered to bring in a new customer as a way to replace my membership (did not think of that until later).

3. **INSIGHTS.** I was proud to have bolstered my credibility with the medical record offer and to have pushed past the club standard by asking about exceptions. This shows I can think on my feet better than I realized. But I tend to "wing it" a lot and just see what happens. I am lazy! And I do not want to think about possible confrontations, which make me uneasy. This will take some effort. I am persuasive when I have a very good reason justifying something I am asking for. My tactful and polite M.O. can be an asset -- helped me in this. The supervisor had no reason to get impatient with me.

4. **TOOLS/CONCEPTS.** 1. Target Decision-makers (Chap. 5 BfA). 2. Standards (Chap. 3 BfA): When arguing against a standard or policy, look for a standardized exception to the policy. This gets over the consistency principle problem for the decision-maker.

NEGOTIATION AND DISPUTE RESOLUTION NON-DISCLOSURE AGREEMENT

Some of the role-playing negotiation exercises used in the various sections of this course and others are very similar. The sections do not necessarily encounter/debrief these exercises at the same times during the semester.

In order to make the course work and the grading fair for this and future sections of these courses, it is essential that participants:

- Keep role-specific, confidential information to themselves except as they may choose to disclose it in the actual negotiation exercises
- Make no efforts, other than in the course of negotiations, to discover the contents of the private information given to their counterparts
- Refrain from discussing the exercises and results of negotiations with other students until they are *certain* that the person with whom they are speaking has completed the exercise and discussed it in class. *Under no circumstances should students discuss the exercises with students who are not currently enrolled in negotiation.*

The professors teaching these courses consider intentional violations of these rules to constitute violations of the ethics guidelines of this institution. By signing this form, you agree to abide by the forementioned requirements and rules.

Signed _____

Print Name _____

Date _____