

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

LEGAL STUDIES 206 SYLLABUS  
Fall 2013  
Wednesdays 3:00-6:00  
PROF. KENNETH L. SHROPSHIRE  
NEGOTIATION AND CONFLICT RESOLUTION (Undergraduate)

F55 JMHH

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All assignments should be submitted via Canvas. Grading and comments will be delivered via that site.

**Course Objectives:** Our time together, both in class and electronically, will be focused on enabling you to become a more effective negotiator and conflict resolver. This effectiveness in negotiating and conflict resolution 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 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;
- The ability to resolve conflicts; and
- The capacity to reflect and learn from your experience.

This course links both the science and art of negotiation and conflict resolution, 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); Bulk Pack of additional readings.

**Recommended Reading:** Kenneth L. Shropshire, Negotiate Like the Pros (McGraw-Hill 2009). 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 written medical (**not work related**) excuse from a medical provider. Attendance includes attending either live or via the Wharton Video Network presentations by two 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** (10%): 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 ON DECEMBER 6!!**. There will be a peer evaluation tool posted on Canvas. 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 Performance:** At the professor’s option, your course grade may be increased by one half of a grade for outstanding class participation and negotiation performance.

3. **Journal Entries** (30%): Six journal entries are due. Page 6 provides the format that must be followed for each journal. Please write no more than a one-page analysis. The table below provides details regarding each journal entry. All should be submitted via Canvas.

| Date Due     | Journal | Negotiation Exercise | Related Readings  |
|--------------|---------|----------------------|---|
| September 4  | 1       | Cessna or SUV        | Bulk Pack (“BP”) #1 and #9  |
| September 18 | 2       | Opera Problem        | Bargaining for Advantage (B for A) Chapters 4-5   |
| September 25 | 3       | House Sale           | B for A Chapter 3; BP #5-6  |
| October 16   | 4       | OPEQ                 | BP #7-8   |
| October 30   | 5       | ACME Roofing         | Special Instruction: Explain the three schools of bargaining ethics discussed in B for A Chapter 11 and which approach you think is best. |
| TBD          | 6       | *Guest Lectures      | Special Instruction: Discuss a minimum of two insights from each of at least two guest lectures.  |

4. **Mid-term Exam** (30%): Class 5, September 25<sup>th</sup>

5. **Analytical Paper** (30% of your grade: 6-8 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 7. THE PAPER IS DUE AT NOON ON DECEMBER 6 VIA CANVAS.** 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 and 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. The worst papers, those at the “C” level, will merely summarize the details of a high profile negotiation.

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: Aug 28**, 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.”

**\*Class 2: Sept 4**, 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 “Appleton v. Baker.”

**Class 3: Sept 11**, 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.” Begin negotiations. **Principal and Agent must negotiate their arrangements prior to the start of the end of class.** You may negotiate for up to one hour ANY TIME and in any manner between now and next class.

**\*Class 4: Sept 18**, Foundation #3: Standards & Agents. Agents COMPLETE negotiations by 3:30 at whatever locations you have predetermined. Class ends at 4:15 to attend guest speaker presentation:

Rodger Krouse , 4:30pm-6pm

Rodger R. Krouse is the Co-Chief Executive Officer of Sun Capital Partners, Inc. and has been engaged in leveraged buyouts, investment banking, and business operations for more than 25 years. Prior to co-founding Sun Capital Partners in 1995, Mr. Krouse was a Senior Vice President of Lehman Brothers in New York. Mr. Krouse received a Bachelor of Science degree in Economics from The Wharton School of the University of Pennsylvania.

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

**\*Class 5: Sept. 25, Mid-term Exam (class will end early, no exercises)**

**Class 6: Oct. 2**, Foundation #6: Leverage.

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

**Class 7: Oct 9**, Trust and Commitment and Conflict Resolution

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

Read: BP #7-8

Suggested: Negotiating Rationally Chapters 13 – 14.

Class Activity: “OPEQ.”

**\*Class 8: Oct. 16**, Ethics

Read: B for A, Chapter 11.

Class activity: “ACME Roofing.”

**Oct. 23, NO CLASS (Potential guest lecturer date)**

**\*Class 9: Oct. 30**, Culture.

Read: Getting To Yes (ALL); B for A, Chapter 7, and (optional) BP #8.

Class Activity: Negotiate “Alpha Beta”

**Nov. 6: NO CLASS (Potential guest lecturer date)**

**Class 10: Nov, 13, Sports Day.** Player Contract Negotiation and Signing Bonus

**Class 11: Nov. 20 Class 10: Dec 4**, Multi-Party Negotiations

Read: BP #12.

Class activity: “Harborco.”

**Nov. 27 PENN HAS NO WEDNESDAY CLASSES SCHEDULED THANKSGIVING WEEK**

**Class 12: Dec. 4: ...Final “Conflict” Revisit original partners with “The Rare Mask”**

**FINAL PAPERS ARE DUE FRIDAY, DECEMBER 6 BEFORE NOON.**

**PEER EVALUATIONS MUST BE SUBMITTED FRIDAY, DECEMBER 6 BEFORE NOON.**

**JOURNAL ENTRY QUESTIONS**  
**(One-page analysis)**

Your Name:

Counterparts' Name(s):

Date:

Name of Negotiation Exercise:

1. RESULT OF THE NEGOTIATION AND A VERY BRIEF DESCRIPTION OF THE BEST EXPLANATION OF THIS RESULT.
2. MY MOST IMPORTANT NEGOTIATION MISTAKE
3. MY COUNTERPART'S MOST IMPORTANT NEGOTIATION MISTAKE
4. MOST IMPORTANT TAKEAWAY FROM NEGOTIATION DEBRIEFING.
5. TWO EXAMPLES OF HOW I TRIED TO APPLY THE NEGOTIATION THEORY FROM THE RELATED ASSIGNED READINGS TO THE ACTUAL NEGOTIATION
6. PERSONAL NEGOTIATION SKILL TO DEVELOP AND PROGRESS OF PREVIOUS WEEK'S DEVELOPMENTAL FOCUS.

## 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 aforementioned requirements and rules.

Signed \_\_\_\_\_

Print Name \_\_\_\_\_

Date \_\_\_\_\_