

UNIVERSITY OF PENNSYLVANIA  
THE WHARTON SCHOOL  
Department of Legal Studies & Business Ethics

LGST206-406 Syllabus  
Spring 2014

NEGOTIATION

Mondays 3:00 – 6:00 pm  
JMHH F38

Instructor: Professor Janice R. Bellace  
Office: 672 Jon M Huntsman Hall (672 JMHH / 6340)  
Office Hours: 3 - 5 PM Wednesdays or call/e-mail to arrange a convenient time to meet\*  
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\* I suggest arranging a time because it is difficult to predict when I may be in my office. You are encouraged to call me during the day or to email me at any “normal” time. Also, in the interests of family harmony, please do not send me an email after 9 pm with the expectation that I will respond before 9 am the next morning.

**Pedagogy and Class Attendance Policy**

This course uses the experiential learning pedagogy; that is, you learn by doing. You will learn by interacting and observing others, and by listening to them as they relate how they analyzed the situation. You will complete one-page written assigned in which you will reflect on what has occurred during the course of negotiations. But this pedagogy only works if you are there. You can't learn how to negotiate if you are not present in class.

Much of our time in class will be spent doing actual negotiations, so **attending every class is mandatory**. Because the roles in the cases are carefully assigned, missing a class negatively affects everyone's learning, not just yours. Also, it is disruptive to the class session (as I have to figure out how to plug the hole presented by your absence). **If you cannot make this commitment, please do not take this class.** Each class missed will result in a course grade reduction of one level (e.g., A- to B+). Missing two unexcused classes will result in a failing grade. The only reasons for absence that will count as an excused class are verified illness, a death in the family, or a religious holiday. Being absent for a job or graduate school interview will not be excused, nor will volunteer work or participation in student activities. If you cannot attend every class, drop the course, and do so before the second meeting so that we can do the first graded negotiation in class #2.

## **Goals of the Course**

The aim of this course is to help you, whatever your starting point, to become a more effective negotiator. Effectiveness in negotiating encompasses 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 to consider when it is worthwhile to pursue other alternatives and to settle costly disputes;
- The skill to get your fair share of what is negotiated;
- The insight to recognize ethical traps – and the wisdom and discipline 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.

The course also aims to provide you with a conceptual framework for approaching and conducting a negotiation, plus providing you with some research insights into how people behave in negotiations.

- G. Richard Shell, Bargaining for Advantage: Negotiation Strategies for Reasonable People (Penguin 2<sup>nd</sup> edition 2006)
- Roger Fisher, William Ury & Bruce Patton, Getting to Yes (Penguin 2011)
- Bulk Pack of additional readings

## **GRADING FACTORS**

**Final grades will be done on a curve, based on the 100 point total that it is possible to achieve.**

The grading system reflects the importance of class attendance in this course. A negotiation course cannot be successful unless individual students are committed to attending class, engaging fully with the role play, and participating actively in exercises and discussions.

**Graded Negotiations** (20 points). Five classes marked with a "\*" have graded negotiations associated with them. You will be graded based on your outcomes as compared with others negotiating in the same role as you.

Five of the negotiations we will do in class are graded based on the results you achieve compared with others playing the same roles as you. Five points will be awarded to people in the top 1/3 of the class; 3 points to the middle 1/3; and 1 point to the bottom 1/3. I will drop your worst performance. Thus, each of these negotiations contributes 5% toward your final grade. The graded negotiations are noted in the syllabus.

Because of the nature of the negotiation exercises, there can be no “make-ups” of missed exercises.

→ If you miss a graded negotiation, you will receive a 0 for that assignment.

- If you miss any negotiation, you may receive a “1” from others in the peer evaluation exercise if the rater has no other experience with you in a negotiation on which to evaluate you.

As a result, it is always better participated in a graded negotiation, even if you do the worst in the class, than to miss the negotiation.

→ If you violate a stipulated constraint of the graded negotiation (e.g., buy something for more than your bottom line or sell for less), you will receive a -3 for that case and everyone else in the group will end up with a “no deal” result for that case. AND, that -3 will stay in your final total, and I will drop your next worst performance. [This grading policy is designed to motivate you to stay in the role assigned to you and to comply with the constraints based upon you!] To avoid receiving a -3 score, double-check all your pre-closing calculations to make sure you have complied with the instructions given you.

2. **Two in-class quizzes** (25 points). There will be two in-class quizzes worth 12 and 13 points respectively given in Classes 7 and 14. The quizzes will be short-answer tests based on readings, lectures, class discussions, and last about 20 minutes. We will not have time to discuss all the readings in class, but this does mean they are not important as they provide significant conceptual knowledge that will contribute to your success as a negotiator. You will be expected to read them and answer detailed questions on the quizzes.

2. **Four one-page written assignments** (20 points).

3. **Peer Feedback Rankings** (15 points): Fifteen points will be awarded based on peer ratings given at the end of the class.

Each student will rate each other student on a 1 (lowest) to 10 (highest) scale based on that peer’s overall, demonstrated contribution to the class’s learning and development.

In addition, each student will identify five fellow students as persons who gained exceptional respect during the semester as negotiation partners or teammates and exhibited skill at and reputations for simultaneously managing both relationships and transactional success. Scores for this ranking will go from 10 (top) to 6 (bottom).

Then, the resulting rankings will be combined and averaged. The class will be divided into top, middle, and bottom-ranked groups consisting of roughly 10--12 students each. The top group will receive 15 points. The middle group will receive between 10—15 points and the lower group between 1--9 points, based on the instructor’s evaluations of student performance and rankings. I will notify the class of the five people who achieve the highest total scores for gaining respect for their negotiation skills at the end of the semester.

4. **Final Paper** (20 points): -- 8 to 10 pages, double-spaced, 12 pt font) due at the last class, submitted on Canvas. See pages 7-8 of the syllabus for an explanation of this requirement.

## Class Meetings: TOPICS and ASSIGNMENTS

**January 15** First day of class. NOTE – Wednesday, Jan. 15<sup>th</sup> = a Monday class.  
Introduction and organizational matters. Lecture on overview of course, non-disclosure

**January 20** MLK holiday -- no class

**January 27**

**Class 1** Distributive Bargaining: the "Zone of Agreement"  
Read: Read Bulk Pack ("BP") Item #1 and #9 (on recruiting negotiations); **Essentials chs 1 & 2**  
Class activity: Negotiate Opening Case(s) (handed out in class)

**January 29**

\* **Class 2** Foundations #1 and 2: Bargaining Styles and Expectations.

Read: Shell Introduction and Chapters 1-2, Chapter 11 --. 196-208  
BP #2, 3, 4.

**KEY!!! FILL OUT BP #2 AND BRING IT TO CLASS.**

Class activities: Negotiate "Appleton."

Lecture on fraud; bargaining styles, anchor effects, and information effects

Begin first GRADED NEGOTIATION today ("House Sale").

**February 3**

**Class 3** **Convening of the class begins at 4 pm** to allow time to conclude negotiation of House Sale (results due at or before 4 pm)

Foundation #3: Standards and the Role of Agents

Read: Shell Chapter 3; BP #5 and #6

*Hand in* signed deals for graded negotiation ("House Sale")

Class Activity: De-brief and discuss "House Sale."

Lecture: Agents; deadlines, electronic bargaining, standards.

**February 10**

**Class 4** Foundations #4 (Relationships) and #5 (Interests)

Read: Shell chapters 4, 5 and 6.

In class: **Negotiate Graded Negotiation #2 case**; discuss interests and leverage as negotiation variables; introduce Preparation Worksheet.

Hand out: Opera Problem roles and Bargaining for Advantage Preparation Worksheet

Class activity: Negotiate and discuss "Opera Problem."

**February 17**

**\*Class 5** . Foundation #6 (Leverage)

Read: Getting to Yes, pp. 3 -94.

**Hand in:** Preparation Worksheet for the Opera Problem.

Class Activity: Negotiate Opera Problem

Lecture & discuss "Getting to Yes."

Written assignment due in class 6 – one page paper on Opera Problem

Class Activity: "Pheasant Egg." (GRADED NEGOTIATION)

**February 24**

**\*Class 6** Trust and Commitment

**\*Opera Problem One-Page Paper Due Today**

Read: BP #7 and #8 #13?

Class Activity: "Carpet Wars" (GRADED NEGOTIATION)

Lecture: on trust and commitment as negotiation variables

**March 3**

**Class 7** Ethics

**In-class QUIZ today**

Read: Shell Chapter 11, pp. 208-228

Class activity: "ACME Roofing"

Discussion: ethical schools of thought

Assignment: due in class 9 -- one-page paper on Ethics.

Assignment: over Spring Break: have a Negotiation Adventure, write it up as one-page paper and be prepared to present it in class 8.

**March 10 - Spring break (no class)**

**March 17**

**Class 8** Negotiation Analysis and Preparation

**Negotiation Adventure one-page paper due today**

Read: Getting to Yes (ALL of it); Shell, Chapter 7, and (optional) BP #8  
Class Activity: Negotiate "Warranty Problem."

**March 24**

**\*Class 9**

**Ethics One-Page paper due today**

The Four Stages of Negotiation in Multi-Issue Situations

Read Shell Chapters 7 - 10. Also read **BP #10-11**.

Class Activity: "Icarus Airlines" (GRADED NEGOTIATION).

Begin Graded Negotiation -- teams meet to prepare and teams conduct opening negotiating session with other side.

**March 31**

**Class 10**

**Class begins at 5:00 pm to allow time for completing graded negotiation**

Bargaining Teams

***Hand in***

***Hand in*** PAPER TOPIC due *before* class begins

Class Activity: Conclude and discuss "Icarus."

**April 7**

**\*Class 11**

Multi-Party Negotiations

Read BP #12.

Class activity: "Harborco" (6-party GRADED NEGOTIATION)

**April 14**

**Class 12**

Assisted Negotiation and Dispute Resolution

Read BP #13, Shell Chapter 12

Class activity: Mediation and Arbitration.

**April 21**

**Class 13**

**One-page paper on Bargaining Styles due**

Read /Review Getting to Yes.

Peer Review website activated.

Class activity: Negotiate and discuss "Meditation Exercises"

**April 28**

**Class 14**

**In-class QUIZ today**

**Final Paper due**

Prepare: All reading and lecture materials covered after Quiz #1

In Class: Films examples of negotiation and persuasion.

Course wrap up.

**Final Analytical Paper** (20 points: -- 8 to 10 pages, double-spaced).

Turn in your topic in Class 10 and the actual paper at the last class on April 28. Also, you must submit your paper on Canvas.

The text of the paper should be a maximum of 10 pages. You can exceed this with pages that contain footnotes (endnotes) and reference pages (bibliography and charts

Grading is based on

- thorough research with complete citations
- explicit connection of your topic to your individual learning agenda,
- in-depth analysis with commentary relating it to material in the course
- excellence in writing, editing, and proofing
- thoughtful and clear organization (hint: make an outline, use headings)

\* \* \*

Select a topic that shows your real interest in some aspect of negotiation and, as part of the paper, explain why you picked your topic and how it links to your future career or personal interests

**NOTE:** Do NOT write the paper about a personal negotiation you face or have faced in the past. Such a topic is suited for the one-page assignment due in Class 9.

There are three options for the paper:

- (1) an analytical paper on a current or past complex negotiation in the news (which means that adequate, if not abundant, information is available in the library and/or online). Examples are real negotiations (e.g., mergers, international crises, historical events, labor negotiations/strikes, historical events); industry negotiation practices (e.g., best practices in commercial real estate development deals, in defense contracting, etc
- (2) an analytical paper that focuses on a real negotiator (such as Donald Trump, Colin Powell, Benjamin Franklin, Gandhi, Nelson Mandela). Or you may select to focus on a negotiator in fiction, film or drama (e.g., Shakespeare's Henry IV). If you select this option, be certain to focus on the person's negotiating strategy, and to describe what was at stake in specific negotiations.
- (3) a research paper that explores a thematic topic such as deception, gender, culture, communication (e.g., non-verbal communication, lying, listening).

**NOTE:** any student proposing to write on a sports topic must meet with the instructor to discuss the topic before it will be approved.

## **Research**

The final paper is a research paper assignment. Although the required paper is 10 pages maximum, this does not mean there should be little research. The Internet is no substitute for conventional research methods. There are negotiation journals and books on negotiation that can be consulted. For a start, look at the bibliography to Shell's Bargaining for Advantage. The research librarians at the Lippincott Library can be immensely helpful in identifying relevant information sources.

A bibliography of sources is expected if you choose options. Footnotes should be used where appropriate. Do not rely heavily on websites as sources, although there will be instances where you should cite a website as the source of the information you have put in the text. [Most definitely do not use Wikipedia as your main source – it's a starting point.]

Plagiarism and paraphrasing without footnoting the source violates the Code of Academic Responsibility (which the instructor takes very seriously). If you have any question about whether something needs a footnote, ask the instructor or err on the side of caution and footnote!