

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

LGST 806/MGMT 691/OPIM 691
NEGOTIATION

PROFESSOR SARAH E. LIGHT

Fall 2014

I. INSTRUCTOR

Professor Sarah E. Light
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Office Phone: 215-573-0575
Office: 647 Huntsman Hall
Office Hours: Tuesdays 1:30-2:45pm and by appointment

II. CLASS MEETING TIMES AND LOCATION

Section 406
Tuesdays 3-6pm
Location: JMHH 245

III. COURSE OBJECTIVES

Negotiation is a constant feature of our daily lives – at home, at work, and in the marketplace. However, many of us spend little, if any, time considering what factors make us more – or less – effective in a negotiation. My primary objective in this course is to facilitate your becoming a more *knowledgeable*, *effective* and *reflective* negotiator. You will learn about a toolkit of negotiation approaches and principles, use those approaches and principles to improve outcomes, and be reflective so that you are constantly seeking to improve your performance.

There is no one right way to negotiate. Different approaches and styles may be more effective or less effective in a particular situation. Often what is effective depends upon the qualities and core personality traits you (and your negotiating counterpart) bring to the table. In this class, we will build a safe environment in which you will have the opportunity to experiment with different approaches, including interest-based bargaining and more competitive or “hard” bargaining. Over the course of the semester you will (1) learn some of your strengths and weaknesses as negotiators, (2) understand negotiation theory from the vantage point of various disciplines (law, psychology, and economics to name a few), and (3) put negotiation theory into practice.

IV. COURSE FORMAT

This class will consist of a mix of lecture, discussion, and interactive negotiation simulations.

V. TEXT AND READINGS

There are three assigned texts in this class:

Getting to Yes: Negotiating Agreement Without Giving In, by Roger Fisher, Bill Ury & Bruce Patton, (3d ed. Penguin 2011) ["GTU"].

Bargaining for Advantage, by G. Richard Shell (Penguin, 2d ed. 2006) ["Shell"].

Coursepack: Available on Study.net ["Coursepack"].

VI. CLASSROOM EXPECTATIONS

- We will start and end class on time.
- You must display your name tent.
- You must turn off all phones, laptops and other electronic devices.

Attendance and Preparation. You and your classmates will get the most out of this class when everyone participates actively. In most of the class meetings throughout the term, you will be participating in a simulated negotiation exercise with at least one other student. Hence, your timely attendance and preparation are crucial in this course. If you are absent, your absence will preclude not only your participation that day, but also that of your counterpart(s). The same applies to preparation. If you come to class unprepared, not only will you lose out, but your counterpart(s) will also lose out for that day and you will not learn the lessons and skills that the simulation aims to teach. If you do not expect to be able to attend every class, I urge you to reconsider whether this course is the right fit in your schedule this semester.

Excused absences include: family or personal medical emergencies and religious holidays. Job interviews are *not* excused absences.

If you miss two negotiation exercises (for reasons that are not excused absences), you will lose a letter grade in the class (from an A to a B). If you miss more than two negotiation exercises, you will receive an automatic LT for the course.

Confidentiality. In the first class, you will be asked to sign a Non-Disclosure Agreement regarding the information you learn in connection with the simulated negotiations. The bottom line is that *unless I specifically direct you otherwise, you may not share confidential information you receive in connection with a negotiation simulation with anyone, including classmates who are playing the same role.* Your honesty, integrity and ethical conduct in this regard will count in your grade and will affect your reputation with your peers and your instructor. If you have any questions about the confidentiality of any facts, please ask me.

Do not assume that the negotiation is over when you think it is over. When you have completed a negotiation, please do not reveal your confidential information to your counterparts, or to members of another team, before returning to the classroom for the formal debrief session with me. The simulations do not always end when you sign an agreement in a break-out room. After the class discussion/debrief with me, you are free to discuss the case further with members of our class.

Ethics and Use of Prior Materials. Finally, please do not discuss cases with or borrow notes from, people outside of class. Please do not share any information about these simulations with students who have not taken this class. It is a violation of the University Code of Academic Integrity to post anything about the negotiation simulations on a public website, or to conduct internet/Google searches about simulations.

VII. GRADING

Your grade will be determined as follows:

A. **Class Participation** (30%)

Participation includes timely attendance and high-quality participation in class exercises, discussions, and peer feedback. An unexcused absence results in no class participation points for that day. Cases and exercises require advance preparation (reading, preparation of negotiation strategy, sometimes written materials). Participation points for simulations will be based on the quality of your preparation for these assignments, and the quality of your participation in class during these exercises and the debriefing sessions afterward. The grading for discussion will be based on such factors as the use of the assigned readings for a particular class, relevance of comments to the topic covered, ability to effectively articulate personal experiences relevant to the discussion topic and addition of new information or insights – quality is more important than quantity of comments. At least one of the negotiations will be “graded” based upon the outcome you achieve.

In addition, you will be expected to provide peer feedback to your counterparts after each negotiation. We will discuss this in more detail in class.

The class participation grade (which I will determine) will be informed by end-of-the-semester **Peer Feedback**. Each student will rate each other student on a scale from 1 (lowest) to 10 (highest), based on that student’s overall demonstrated commitment to the class’s learning and development. In addition, each student will identify five fellow students as people who gained exceptional respect during the semester, either as negotiation counterparts or teammates, and exhibited exceptional skill at both reaching excellent outcomes and preserving or enhancing relationships.

B. **Four Short papers** (30%)

During the term, you must write four short papers, of 250 -500 words each (equivalent to approximately one to two pages of doubled-spaced text in 12-point font). These are hard word limits, and any paper that does not comply with the 250-word minimum or 500-word maximum will receive no credit. ***All papers must be submitted via Canvas in .word (not .pdf) format.***

The topics for the short papers are:

1. Personal negotiation strengths, weaknesses and individual learning agenda for the class **(due on September 9, 2014)**
2. Opera Problem case negotiation reflection paper **(due on October 7, 2014)**
3. Ethics and Lying in negotiation reflection paper **(due on October 21, 2014)**
4. Personal Negotiation reflection paper **(due on November 11, 2014)**

In the first paper, you should reflect on your perceived strengths and weaknesses as a negotiator as you begin the course, and on your aspirations and goals for yourself during the term.

In the second and third papers, please reflect on the topic, using the readings and concepts we have discussed in class. A good example would be, “In the *Icarus Airlines* negotiation, I attempted to gather information to understand the other parties’ interests by asking questions (GTY p. 40-56), but then remained committed to my own position and left unclaimed value on the table.”

In the fourth paper, you must report on an actual negotiation in which you took part during the term. Choose any context. You are not required to purchase anything to complete this assignment. You must enter into a negotiation in good faith, with the desire to reach agreement. You may not reveal that you are negotiating as part of an assignment for class. If a negotiation occurs naturally in your life during the term, you may write about that (you need not invent a new context for negotiating to write the paper but it must occur during the term so that you can reflect on your use of techniques you learned in this course). You must observe all ethical duties in conducting this negotiation.

Each paper will be graded on a scale of 1 (lowest)-5 (highest), with 5 being reserved for truly exceptional papers (a very rare grade). Any late papers will be penalized by ½ point for each 24-hour period of lateness.

C. **Final Research Paper** (40%)

The Final Paper should be no more than 2,500 words (approximately 10 pages, double-spaced, in 12-point font), not including reference pages or charts. A one-page description of the proposed topic and potential sources will be due in **Class # 9 (October 28, 2014); the Final Research Paper is due at or before the *start* of Class # 14 (December 12, 2014)**. The Final Paper is on a topic of your choosing (in consultation with me) describing some aspect of negotiation. In the paper, you must be sure to explain why you chose the topic, and how it relates to your personal learning agenda. Potential topics include in-depth analysis of a real negotiation (in business, law, or international relations, for example), industry negotiation practices (best practices in real estate development negotiation deals), or topics related to bargaining styles, communication and ethics. I will grade your papers based on:

1. Thorough, imaginative and original argument (35%)
2. Explicit connection of your topic to your individual learning agenda (35%)
3. Use of creative and compelling sources (such as personal interviews, books or data sets rather than common websites) (15%)
4. Excellence in writing (including presentation, organization and proofreading) (15%)

Citations, Collaboration and Plagiarism. Papers must represent only the student's own creative work and effort. **I take plagiarism and cheating very seriously and will deal with such actions according to University policy.** Students may use computer-assisted spelling or grammar programs and may discuss general ideas of paper topics with others. But no writing coaches, relatives, or other personal assistance may be relied upon for the actual writing. The work must be your own. As with any paper, you must use a consistent citation method for sources. Any source you quote or rely on must be either footnoted, with source and page references, or noted parenthetically, for example (Sax 1980 at p. 7) with the full citation provided in a bibliography (e.g., Joseph L. Sax, *Mountains without Handrails: Reflections on the National Parks* (University of Michigan Press 1980)). Please make reference to *all* sources used. No statement that relies on a source should fail to reference the source.

VIII. INSTRUCTOR BIO

Sarah E. Light is an Assistant Professor of Legal Studies and Business Ethics at the Wharton School of Business at the University of Pennsylvania, where she teaches Negotiation and Environmental Management, Law and Policy. Light received her A.B. in Social Studies from Harvard College, where she graduated *magna cum laude*, Phi Beta Kappa, and was awarded the John Harvard Scholarship and Elizabeth Cary Agassiz Scholarship for highest academic achievement. Professor Light subsequently earned an M. Phil in Politics from Oxford University where she was a Rhodes Scholar. Light received her J.D. from Yale Law School. Prior to joining the faculty at Wharton, Professor Light served for ten years as an Assistant United States Attorney for the Southern District of New York, Civil Division. For the last four of those years, she was the Chief of the Office's Environmental Protection Unit. Professor Light has served as a *pro bono* mediator in the United States District Court for the Southern District of New York, where she has mediated police brutality and employment discrimination cases.

IX. COURSE OUTLINE AND ASSIGNMENTS

Class #	Date	Assignment due in Class	In-Class
Class 1	9/2/14	GTY (<i>required</i> : Parts I and II; it is <i>optional</i> to finish the entire book by today)	Introduction to Negotiation Negotiate <i>Cessna</i> and <i>SUV</i> cases GTY Distributive Bargaining Sign Non-disclosure Agreement
Class 2	9/9/14	GTY (finish the book if you haven't already) Coursepack ## 1, 2 Shell, Intro, Chs. 1-2 **Bring completed Coursepack #2 (Appendix A to Shell) to Class Hand in: Short Paper #1 on Negotiation Strengths, Weaknesses and Individual Learning Agenda	Negotiate <i>Parker-Gibson</i> case GTY Distributive Bargaining Bargaining Styles Anchor Effects Information Effects Hand Out: <i>House Sale</i> case
Class 3	9/16/14	Prepare and negotiate <i>House Sale</i> case Coursepack ## 3, 4, 5 Shell, Ch. 3 <i>Optional Reading</i> : Coursepack # 6 Hand in : Signed deals for <i>House Sale</i> case by 4pm in class (you will have 1 hour of class to complete the negotiation)	3-4pm: Conclude <i>House Sale</i> case in groups 4pm: Results of <i>House Sale</i> case due Agents Deadlines Electronic Bargaining Standards
Class 4	9/23/14	Shell, Chs. 4, 5, 6	Negotiate <i>Pheasant Egg</i> case Interests Leverage BATNA Introduce Preparation Worksheet Hand Out: <i>Opera Problem</i> roles and Bargaining for Advantage Preparation Worksheet

Class 5	9/30/14	<p>Prepare <i>Opera Problem</i> to be negotiated in Class</p> <p>Coursepack # 7</p> <p>Hand in: Preparation Worksheet for <i>Opera Problem</i> (be sure to bring a copy for yourself if you plan to use it during the negotiation)</p>	<p>Negotiate <i>Opera Problem</i></p> <p>Integrative Bargaining</p>
Class 6	10/7/14	<p>Coursepack # 8</p> <p><i>Optional Reading:</i> Coursepack # 9</p> <p>Hand in: Short Paper #2 on <i>Opera Problem</i> negotiating lessons</p>	<p>Negotiate <i>Ratings War</i> case</p> <p>Trust Commitment Prisoner's Dilemma/Negotiator's Dilemma</p>
Class 7	10/14/14	<p>Shell Ch. 11</p> <p>Coursepack ## 10, 11</p>	<p>Negotiate <i>Roofing</i> case</p> <p>Ethics, Emotions and Lying in Negotiations</p> <p>Sign up for peer coaching sessions</p> <p>Discuss assignment on Personal Negotiation</p>

Class 8	10/21/14	Hand in: Short Paper #3 on Ethics and Lying in Negotiation	Coaching Sessions. During today's class, students will rotate through the classroom in small groups to receive individual coaching from their peers and Prof. Light in 15-20 minute meetings conducted throughout the 3-6pm time period. Hand out roles for <i>Icarus Airlines</i> case.
Class 9	10/28/14	Hand in: One-page (maximum) description of proposed Final Paper topic. Shell Chs. 7-10	Negotiation Process (preparation, info exchange, bargaining, commitment) Begin to negotiate <i>Icarus Airlines</i> case. Teams meet to prepare and conduct opening negotiation session.
Class 10	11/4/14	Hand in: <i>Icarus Airlines Deals</i> by 4:30pm	3-4:30pm: Complete <i>Icarus Airlines</i> negotiation in assigned study rooms 4:30pm: Hand in <i>Icarus Airlines</i> deals. Discuss <i>Icarus Airlines</i> case Hand out general instructions for <i>Harborco</i> case
Class 11	11/11/14	Hand in: Short Paper #4 on Personal Negotiation Coursepack # 12 <i>Optional Reading:</i> Coursepack # 13	Receive confidential roles and Negotiate <i>Harborco</i> case Multiparty negotiations
Class 12	11/18/14	Coursepack ## 14, 15, 16	Mediation, Arbitration Hand out roles for <i>Mouse</i> case. Each group should set aside at least one hour to negotiate outside of class before next week's class.
Note:		No class on 11/25 (Thursday classes meet)	

Class 13	12/2/14	Coursepack ## 16, 17, 18	3-5pm: Complete negotiation of <i>Mouse</i> case in assigned study rooms 5pm: Hand in <i>Mouse</i> deals. Debrief <i>Mouse</i> case
Class 14	12/9/14	Readings TBA Hand in: Final Paper	Course conclusion.