

## SYLLABUS

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

LGST 806-408

NEGOTIATION

LECTURER: ERIC MAX

SPRING 2015

### **I. INSTRUCTOR**

Lecturer Eric Max

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Office Phone: 215-898-7689

Office: 656 Huntsman Hall

Office Hours: Before class and by appointment

### **II. CLASS MEETING TIMES AND LOCATION**

Section 408

Wednesdays 3-6pm

Location: SHDH211

### **III. COURSE OBJECTIVES**

Negotiation is both an art and a science. We negotiate every day in both our personal and professional lives. Effective negotiation can be a cornerstone of successful business and personal relationships. There is no “right way” to negotiate. Different approaches and styles may be more effective in particular situations. This course will give you the tools necessary to be able to analyze a negotiation and apply the appropriate skills to make it as productive as possible. This course is designed to help you:

- determine your own strengths and weaknesses as a negotiator
- improve your ability to negotiate effectively
- analyze negotiation situations
- develop a strategic plan for effective negotiation
- gain an intellectual understanding of negotiator behavior
- gain confidence as a negotiator

#### IV. COURSE FORMAT

This class will consist of:

- Interactive negotiation simulations in every class
- In class debrief of all negotiations
- Video review of several of your negotiations
- Guest speakers
- Joint law school-business school negotiation
- Observations of actual state and federal court mediations (optional)

#### 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 and 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 will display your name tent.
- You must turn off all phones, laptops and other electronic devices.

**Attendance and Preparation.** This class is very interactive and relies on the preparation and participation of all students in the class. Thus, it is extremely important for you to attend class and to be prepared to participate in a meaningful way. The more you put into this class the more you will get out of it!

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

If you miss one class there is no penalty. If you miss two classes (for reasons that are not excused absences), you will lose half a letter grade for each additional class missed (from an A- to a B+; B+ to B etc.). If you miss more than two classes, you may 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 our 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 (one third)

Participation includes timely attendance and high-quality participation in class exercises, discussion, 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 experience 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.

The class participation grade (which I will determine) will be informed by end-of-the-semester Peer Feedback. Each student will identify five fellow students as people who they gained exceptional respect for 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 (one third)

During the term, you must write four short papers, of 250-500 words each (equivalent to approximately one to two pages of doubled-space 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 at the start of Class #2) (1/28/15)
2. Opera Problem case negotiation reflection paper and video review (due at the start of Class #6) (2/25/15)
3. Ethics and Lying in negotiation reflection paper (due at the start of Class # 8) (3/18/15)
4. Personal Negotiation reflection paper (due at the start of Class # 11) (4/8/15)

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

In the second paper you will be reviewing key learning moments in the video of your *Opera Problem* negotiation as well as those in one other group. You will be asked to identify the key moments in these negotiations and to be prepared to identify them in the next class. A good example would be, "In the negotiation, I attempted to gather information to understand the other parties' interests by asking questions (video time stamp 1:03), but then remained committed to my own position and left unclaimed value on the table." (video time stamp 1:10)

For the third paper, you will reflect on the topic of ethics and lying, using the reading and concepts we have discussed in class. The strongest papers go beyond merely describing what occurred during a particular simulation, and instead synthesize and reflect upon the topic and the readings.

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 ethics duties in conducting this negotiation.

### C. Final Research Paper (one third)

The Final Paper should be no more than 2,500 words (approximately 10 pages, double-spaced, in the 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 (3/25/15; the Final Research Paper is due at or before the start of Class # 14 (4/29/15))**. The Final Paper is on a topic of our 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 (one third)
2. Explicit connection of your topic to your individual learning agenda (one third)
3. Excellence in writing (including research, presentation, organization and proofreading) (one third)

**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 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 sources 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. COURSE OUTLINE AND ASSIGNMENTS

Class#	Date	Assignment due in Class	In-Class
Class 1	1/21/15	No readings required.	<p>Introduction to Negotiation</p> <p>Conduct the <i>Kidney Case</i> exercise</p> <p>Resource allocation</p> <p>Procedural and distributive justice</p> <p>Persuasion and influence</p> <p>Negotiate <i>Cessna</i> and <i>Acme Roofing</i></p> <p>GTY</p> <p>Distributive Bargaining Fraud</p> <p>Sign Non-disclosure Agreement</p>
Class 2	1/28/15	<p>GTY (read sections 1 and 2)</p> <p>Coursepack ## 1,2</p> <p>Shell, Intro. Chs. 1-2</p> <p><b>**Bring Complete Coursepack # 2 (Appendix A to Shell) to Class</b></p> <p><b>Hand in: Short Paper # 1</b> on Negotiations Strengths, Weaknesses and Individual Learning Agenda</p>	<p>GTY</p> <p>Distributive Bargaining</p> <p>Bargaining Styles</p> <p>Anchor Effects</p> <p>Negotiate <i>Parker-Gibson</i> and <i>SUV</i> cases</p> <p>Hand Out: <i>House Sale</i> case</p>
Class 3	2/4/15	<p>Prepare and negotiate <i>House Sale</i> case</p> <p>GTY (rest of book)</p> <p>Coursepack ## 3, 4, 5</p> <p>Shell, Ch. 3</p> <p><i>Optional Reading:</i> Coursepack # 6</p> <p><b>Hand in:</b> Signed deals for <i>House Sale</i> case by 4pm in class (you will have 1 hours of class to complete the negotiation)</p>	<p>Agents</p> <p>Deadlines</p> <p>Electronic Bargaining</p> <p>Standards</p> <p>3-4pm: Conclude <i>House Sale</i> case in groups</p> <p>4pm: Result of <i>House Sale</i> case due</p>
Class 4	2/11/15	Shell, Chs. 4, 5, 6	<p>Interests</p> <p>Leverage</p> <p>BATNA</p> <p>Introduce Preparation Worksheet</p> <p>Negotiate <i>Pheasant Egg</i> and <i>Job Offer</i> cases</p>

			Handout: <i>Opera Problem</i> roles and Bargaining for Advantage Preparation Worksheet
<b>Class 5</b>	<b>2/18/15</b>	Prepare <i>Opera Problem</i> to be negotiated out of class (to be video recorded)  Coursepack #7 Prepare Negotiation Worksheet For <i>Opera Problem</i>	Integrative Bargaining  Negotiate <i>Opera Problem</i> out of class (to be video recorded)
<b>Class 6</b>	<b>2/25/15</b>	Coursepack # 8  <i>Optional Reading:</i> Coursepack # 9  <b>Hand in: Short Paper # 2</b> on <i>Opera Problem</i> negotiating lessons and key video learning moments	Review <i>Opera Problem</i> videos  Trust Commitment Prisoner's Dilemma/Negotiator's Dilemma  Negotiate <i>Carpet War</i> case
<b>Class 7</b>	<b>3/4/15</b>	Shell Ch. 11  Coursepack ## 10, 11	Ethics, Emotions and Lying in Negotiations  Negotiate <i>Bullard House</i> case  Next week: Personal coaching sessions in small group (time will be posted to Canvas)  Discuss assignment on Personal Negotiation
<b>No Class</b>	<b>3/11/15</b>	Wharton Spring Break	
<b>Class 8</b>	<b>3/18/15</b>	<b>Hand in: Short Paper # 3</b> 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 Lecturer Max in 15-20 minutes meetings conducted throughout the 3-6pm time period.  Complete mid-semester course evaluation
<b>Class 9</b>	<b>3/25/15</b>	<b>Hand in: One-page (maximum) description of proposed Final Paper topic.</b>	Negotiation Process (preparation, info exchange, bargaining, commitment)

		Shell Chs. 7-10	Negotiate <i>Strategic Alliances</i> case. Hand out instructions for <i>Endowed Chair</i> case
<b>Class 10</b>	<b>4/1/15</b>	Prepare for <i>Endowed Chair</i>	Group decision making  Negotiate <i>Endowed Chair</i> case  Hand out instructions for <i>Harborco</i> case
<b>Class 11</b>	<b>4/8/15</b>	<b>Hand in: Short Paper # 4</b> on Personal Negotiation  Coursepack # 12  <i>Optional Reading: Coursepack # 13</i>	Multiparty negotiations  Negotiate <i>Harborco Case</i>
<b>Class 12</b>	<b>4/15/15</b>	Coursepack ## 14, 15, 16	Mediation, Arbitration  Conduct mediation exercise.  Hand out roles for <i>Mouse</i> case
<b>Class 13</b>	<b>4/22/15</b>	Coursepack ## 16, 17, 18	Joint law-business school negotiation  Facilitated Negotiation  3-5pm: Negotiate <i>Mouse</i> case in assigned study room  5pm: Hand in <i>Mouse</i> deals  Debrief <i>Mouse</i> case
<b>Class 14</b>	<b>4/29/15</b>	Reading TBA  <b>Hand in: Final Paper</b>	Course conclusion