

MGMT 691 Negotiations and Conflict Resolution – Spring 2015

Professor Iwan Barankay barankay@wharton.upenn.edu

Office: SH/DH 2201

Office Hours: Tuesdays and Wednesdays 1:30 – 2.45 and by appointment

This class combines analytical material on the negotiation process with class exercises involving simulated negotiations in order to develop students' negotiating skills. Some of the negotiations will require time outside of class to prepare for negotiations, and some may be conducted outside of class. Case materials for the negotiations will be distributed in class.

Texts

Richard Shell, **Bargaining for Advantage**. ([link to kindle version](#))

Bulk pack from Wharton Reprographics.

Additional Texts

Roger Fisher and William Ury (F&U), **Getting to Yes**.

Howard Raiffa, **The Art and Science of Negotiations**.

Deadlines and Grade Composition

Note: Three class absences will lead to a grade of "fail" unless it is a Wharton approved excusable reason for absence. Meetings and interviews are not Wharton approved reasons for absence.

(20% of grade) Quizzes- Every Monday 6pm: Each week there is a short online quiz on canvas for the week's reading material. So each week before the class starts you will be quizzed on the reading. This way we can focus the discussion on the implications of the reading on the negotiations exercises.

Note: I will email you every week with the link to the canvas quiz, what material to read and a reminder of the deadline.

(40% of grade) Journals – Deadlines are at noon of

Journal 1: Monday February 16,

Journal 2: Friday March 6 (just before spring break),

Journal 3: Monday April 6,

Journal 4: May 1 (just after the last class)

The journals are a debrief of a negotiation you had **in class**. This will be a critical reflection on your negotiation experience using course concepts.

The journals have to be submitted **online** on canvas by noon. I will email you the link.

(20% of grade) Paper – Deadline **noon** of Monday April 20

The paper is a critical analysis of a negotiation **outside class**. You are encouraged to analyze a negotiation you experiences or a planning for yourself but it is also possible to analyze other negotiations. You need to use course concepts in the analysis.

(20% of grade) Participation – This includes attendance, being prompt not leaving early, not using electronics other than for the class, actively participating in class discussions and be a valuable and serious negotiation partner in the negotiations. In sum what matters is your citizenship in this course. It is hard to overstate the importance of attendance. Unlike other classes you only get value form this class if you come and negotiate.

Note: Three class absences will lead to a grade of “fail” unless it is a Wharton approved excusable reason for absence. Meetings and interviews are not Wharton approved reasons for absence.

Class Outline

(Week of Jan 26) Introduction

(Week of Feb 2) Claiming value --I

Richard Shell, **Bargaining for Advantage**, Introduction

Howard Raiffa, The Art and Science of Negotiation, Chapter 1, "Organizing questions...."

Roy Lewicki and Joseph Litterer, Negotiation, Chapter 4, "Strategy and tactics of distributive bargaining"

(Week of Feb 9) Claiming value – II

Richard Shell, **Bargaining for Advantage**, Chapter 1, Your Bargaining Style

Richard Shell, **Bargaining for Advantage**, Chapter 2, Your Goals and Expectations

In class I will also discuss Raiffa, Chapter 13, "Elmtree House." (not in bulkpack)

(Week of Feb 16) Claiming Value --III

Richard Shell, **Bargaining for Advantage**, Chapter 3, Authoritative Standards and Norms

G. Kennedy, J. Benson, and J. McMillan, "Bargaining" and "Signalling"

Thomas Schelling, The Strategy of Conflict, pp. 21-77

Paul Freund, "Lying in Negotiations."

Richard Shell, "When is it Legal to Lie in Negotiations?"

(Week of Feb 23) Where Relationships Matter

Richard Shell, Bargaining for Advantage, Chapter 4, Relationships

"Communications: the problem-solving process".

Ury, Brett, and Goldberg "Three Approaches to Resolving Disputes: Interests, Rights, and Power."

Bazerman and Neale, "Fairness, Emotion, and Rationality" Chapter 13 in Negotiating Rationally.

(Week of Mar 2) Tactics for Gaining Influence

Richard Shell, Bargaining for Advantage, Chapter 6, Leverage

Len Leritz, "Taking the Bull Out of the Bully."

Cialdini "Harnessing the Science of Persuasion" HBR #7915

(Week of Mar 9) Spring Break

(Week of Mar 16) Creating Value

Richard Shell, Bargaining for Advantage, Chapter 5, Other Party's Interests

David A. Lax and James K. Sebenius, "Interests: The Measure of Negotiation."

In class I will also discuss Raiffa, Chapter 5, "Settling out of court." (not in bulkpack)

(Week of Mar 23)

In class I will also discuss Raiffa, Chapter 12, "The Panama Canal Negotiations." (not in bulkpack)

Economist, "The importance of being nice..."

(Week of Mar 30) Individual Differences in Creating Value

Roderick Gilkey and Leonard Greenhalgh, "The role of personality in successful negotiating"

Roger Fisher and Wayne Davis, "Six basic interpersonal skills for a negotiator's repertoire".

Leonard Greenhalgh and Roderick W. Gilkey, "Our Game, Your Rules: Developing Effective Negotiating Approaches." (*This is about gender-based differences in styles. Think through what you believe the differences are before you read the article.*)

James J. White and Roger Fisher, "Pros and cons of 'Getting to Yes'". (*Where do you stand on this debate?*)

(Week of Apr 6) Biases in Negotiations

Max Bazerman, Judgement in Decision Making, pp. 127-141.

Jeffrey Rubin, "Psychological traps" Bertram Raven and Jeffrey Rubin, "The interdependence of persons"

(Week of Apr 13) Complex bargaining --I

Allan R. Cohen and David L. Bradford, "Influence without Authority: Alliances, Reciprocity, and Exchange to Accomplish Work."

Jeffrey Rubin and Frank Sander, "When Should We Use Agents?"

In class I will also discuss Raiffa, Chapter 18, "The Law of the Sea." (not in bulkpack)

"Creating the GM-Toyota Joint Venture."

Cappelli and Sterling, "Union contract ratifications..."

(Week of Apr 20) Mediation and Dispute Resolution.

Deborah Kolb and Blair Sheppard, "Do Managers Mediate Or Even Arbitrate?" James Dworkin, "Salary arbitration in baseball" Raiffa, Chapter 14, "The Camp David Negotiations."

Further information about the paper and the journals

Paper

Purpose: to illustrate your ability to apply and expand upon course concepts. Topics may include: An analysis of a negotiating experience which illustrates (or perhaps calls into question) the principles discussed in this course. You may choose a personal experience, one you are familiar with, an important business negotiation in the news, historical events concerning important international negotiations, etc. You may also review the academic literature on some negotiation. I will go over topics to help reduce the risk of choosing a bad one. The paper will be judged on: (1) intellectual understanding --how well you seem to understand the concept you employ; (2) creativity --how much you are able to extend, modify, or elaborate the concepts you use; (3) validity --how you use your descriptions of the data to illustrate your points; (4) organization and style --whether it is easy and interesting to read.

Journals

Each journal should be about five pages, double spaced.

The subject of the journal should be to debrief one of the negotiations exercises we have completed in class. If you prefer to talk about two, that is probably o.k., but the risk in discussing too many cases is that you take up all the space simply describing the facts of the case and the set-up. (If something really important happens in your life about which you would like to get feedback, it's possible to write about that as well as long as you let me know in advance.) A good debriefing of a negotiation goes well beyond describing what happened and

attempts to explain what happened and why. And the way to explain is to apply course concepts, materials, and readings to the description. A good illustration might be the way in which we will debrief the Elmtree House reading. In general, the more applications you can make to course concepts, the better the journal. Journals can also be used as a mechanism for communication between you and me. If there are concepts you don't understand or questions you want addressed, you can raise them in the journal, and I'll try to answer them. The material in the journals is confidential.