

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

LGST 806/MGMT 691/OPID 691  
NEGOTIATION

PROFESSOR SARAH E. LIGHT

Fall 2015

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### I. INSTRUCTOR

Professor Sarah E. Light

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Office Phone: 215-573-0575

Office: 661 Huntsman Hall

Office Hours: Tuesdays 1:30-2:45pm and by appointment

### II. CLASS MEETING TIMES AND LOCATION

Section \_\_\_\_

Tuesday 3-6pm

Location: JMHH \_\_\_\_

### 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. I have two primary objectives in this course. First, I aim 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. Second, the course aims to help you *expand the range* of what you consider negotiable.

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) ["GTY"].

**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.

**To register for the course, you must attend the first two classes. You may miss one negotiation exercise/class without penalty if you provide me with advance notice and, if I request, make arrangements for a substitute. If, in conjunction with any miss, you do not provide advance notice or fail to provide a substitute when required to do so, you will lose a letter grade in the class. If you miss a second exercise/class, you will receive an automatic LT for the class.**

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

**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. 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.

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.

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

### 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, including the Final Paper, 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) (9/8/15)**)
2. Opera Problem case negotiation reflection paper (**due at the start of Class #6) (10/6/15)**)
3. Ethics and Lying in negotiation reflection paper (**due at the start of Class #9) (10/27/15)**)
4. Personal Negotiation reflection paper (**due at the start of Class #11) (11/10/15)**)

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.” 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 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. I have posted to the Files menu of Canvas additional guidance on writing these papers.

### 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 (10/27/15); the Final Research Paper is due at or before the start of Class # 14 (12/8/15)**. 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%)

Note that any late papers will be penalized by 3 points for each 24-hour period of lateness.

**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, where she represented agencies of the United States in litigation, negotiation, and mediation. For the last four of those years, she served as 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 excessive force and employment discrimination cases.

## IX. COURSE OUTLINE AND ASSIGNMENTS

Class #	Date	Assignment due in Class	In-Class
Class 1	9/1/15	<p>GTY (<i>required</i>: Parts I and II; it is <i>optional</i> to finish the entire book by today)</p> <p>Shell, Ch. 11</p>	<p>Introduction to Negotiation</p> <p>Negotiate <i>Cessna</i> and <i>Acme Roofing</i></p> <p>GTY</p> <p>Distributive Bargaining</p> <p>Fraud</p> <p>Sign Non-disclosure Agreement</p>
Class 2	9/8/15	<p>GTY (finish the book if you haven't already)</p> <p>Coursepack ## 1, 2</p> <p>Shell, Intro, Chs. 1-2</p> <p><b>**Bring completed Coursepack #2 (Appendix A to Shell) to Class</b></p> <p><b>Hand in: Short Paper #1</b> on Negotiation Strengths, Weaknesses and Individual Learning Agenda</p>	<p>GTY</p> <p>Distributive Bargaining</p> <p>Bargaining Styles</p> <p>Anchor Effects</p> <p>Information Effects</p> <p>Negotiate <i>Parker-Gibson</i> [if time, <i>SUV case</i>]</p> <p>Hand Out: <i>House Sale</i> case</p>
Class 3	9/15/15	<p>Prepare and negotiate <i>House Sale</i> case</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 hour 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: Results of <i>House Sale</i> case due</p> <p>I will assign partners for the Job Offer negotiation and explain how it will work.</p>
Class 4	9/22/15 <b><u>No class meeting;</u></b> instead meet with your partner at a time you arrange	<p>Shell, Chs. 4, 5, 6</p> <p><b><i>Note: Class will not meet today. Instead, you will be assigned a partner for the Job Offer negotiation at the end of Class 3, and will be responsible for setting up a time to conduct the negotiation together between 9/16-9/25/15, and then email me the results. We will debrief during next week's class.</i></b></p>	<p>Negotiate <i>Job Offer</i> case</p> <p>Hand Out (via email): <i>Opera Problem</i> roles and Bargaining for Advantage Preparation Worksheet</p>

<b>Class 5</b>	<b>9/29/15</b>	<p>Prepare <i>Opera Problem</i> to be negotiated in Class</p> <p>Coursepack # 7</p> <p><b>Bring to Class: Completed Preparation Worksheet</b> for <i>Opera Problem</i></p>	<p>Integrative Bargaining Interests Leverage BATNA</p> <p>Negotiate <i>Opera Problem</i></p>
<b>Class 6</b>	<b>10/6/15</b>	<p>Coursepack # 8</p> <p><i>Optional Reading:</i> Coursepack # 9</p> <p><b>Hand in: Short Paper #2</b> on <i>Opera Problem</i> negotiating lessons</p>	<p>Trust Commitment Prisoner's Dilemma/Negotiator's Dilemma</p> <p>Negotiate <i>Carpet War</i> case</p>
<b>Class 7</b>	<b>10/13/15</b>	<p>Shell Ch. 11</p> <p>Coursepack ## 10, 11</p>	<p>Ethics, Emotions and Lying in Negotiations</p> <p>Negotiate <i>Bullard Houses</i> case and videotape negotiation <i>*Note: You must bring a recording device (laptop, tablet) to record video</i></p> <p>Post video to Canvas in "Discussions" (instructions to be provided)</p> <p>Next week: Personal coaching sessions in small groups (times will be posted to Canvas)</p> <p>Discuss upcoming assignment on Personal Negotiation</p>

<b>Class 8</b>	<b>10/20/15</b>	For today: Review video of your assigned group and prepare peer feedback on Bullard Houses videotaped negotiation	Coaching Sessions.  During today's class, students will rotate through the classroom in small groups to receive coaching from their peers and Prof. Light in 25 minute meetings conducted throughout the 3-6pm time period.  For the remainder of the class students will meet with their assigned groups to provide Peer Feedback on the Bullard Houses videotaped negotiation.  Complete mid-semester course evaluation
<b>Class 9</b>	<b>10/27/15</b>	<b>Hand in: Short Paper #3</b> on Ethics and Lying in Negotiation  <b>Hand in: One-page (maximum) description of proposed Final Paper topic.</b>  Shell Chs. 7-10	Negotiation Process (preparation, info exchange, bargaining, commitment)  Negotiate <i>Strategic Alliances</i> case.  Hand out instructions for <i>Endowed Chair</i> case
<b>Class 10</b>	<b>11/3/15</b>	Prepare for <i>Endowed Chair</i> .	Group decisionmaking  Negotiate <i>Endowed Chair</i> case  Hand out instructions for <i>Harborco</i> case
<b>Class 11</b>	<b>11/10/15</b>	<b>Hand in: Short Paper #4</b> on Personal Negotiation  Coursepack # 12  <i>Optional Reading:</i> Coursepack # 13	Multiparty negotiations  Negotiate <i>Harborco</i> case
<b>Class 12</b>	<b>11/17/15</b>	Coursepack ## 14, 15, 16	Mediation, Arbitration  Mediation, arbitration exercises to be handed out in class  Hand out roles for <i>Bunyonville</i> case



<b>Note:</b>		<b><i>Class will NOT meet on 11/24/15 – Thursday classes meet that day</i></b>	
<b>Class 13</b>	<b>12/1/15</b>	Coursepack ## 16, 17, 18	Facilitated Negotiation  Negotiate <i>Bunyonville</i> case
<b>Class 14</b>	<b>12/8/15</b>	Readings TBA  <b>Hand in: Final Paper</b>	Course conclusion  Final negotiation exercise to be handed out in class  Debrief and wrap up