

UNIVERSITY OF PENNSYLVANIA
THE WHARTON SCHOOL
NEGOTIATIONS
Fall Semester 2015

Instructor: Jeremy Yip, Ph.D.
Office: JMHH 517
Email: yip@wharton.upenn.edu
Phone: 215-573-0501
Office Hours: Tuesday: 4:30pm to 5:00pm (or by appointment)

COURSE INFORMATION

Course Code:	OPIM291, MGMT291, LGST206
Course Location:	
Section 401	JMHH F90
Section 402	JMHH G50
Section 403	JMHH G50
Course Times:	Tuesdays and Thursdays
Section 401	10:30am-12:00pm
Section 402	1:30pm-3:00pm
Section 403	3:00pm-4:30pm

COURSE DESCRIPTION

Managerial and personal success requires the ability to negotiate. In business, we negotiate with employers, co-workers, subordinates, clients, suppliers, and investors. In our personal lives, we negotiate with spouses, classmates, landlords, roommates, and friends. This course is designed to build your understanding, skill, and confidence so that you can achieve better outcomes in all of your negotiations.

Since negotiation is the art and science of creating agreements between two or more parties, you will have opportunities to appreciate the art and science in this course. You will be exposed to the art of negotiation by negotiating with other students in cases. You will be exposed to the science of negotiation by learning the psychological theories and frameworks created by leading negotiation experts and social scientists.

Through exercises, assessments, lectures, videos, and assignments, this course provides you with opportunities to learn and develop your negotiating skills. At the end of the course, you will appreciate the importance of negotiating in relation to your own leadership, decision making, and general management practice.

COURSE OBJECTIVES

This course is designed to improve your negotiation skills by teaching you the following:

1. Recognize your style, strengths, and weaknesses as a negotiator
2. Identify value-creating opportunities to negotiate
3. Prepare more systematically and effectively for negotiations
4. Enter negotiations with confidence
5. Comprehend the vital role of ethics in negotiations
6. Manage the tension between creating value and claiming value in the negotiation process
7. Work with people whose backgrounds, expectations, and perspectives differ from your own

COURSE MATERIALS

Main Text: Roger Fisher, William L. Ury, & Bruce Patton. (2011). *Getting to Yes: Negotiating Agreement without Giving In*. Penguin Books: New York.

Additional Readings:

1. Readings need to be purchased on study.net. The reading package costs approximately \$50.
2. Negotiation exercises will be distributed in class. There may be some additional charges through Wharton Reprographics.

Please note that Professor Yip does not handle the financial aspects of the course.

Course Website: The course web site on Canvas includes slides for each class, answers to questions asked by students, links to self-assessments, links to related web sites, and other information. Please visit the course web site regularly because it will be updated often.

COURSE GRADE

Grades will follow the following breakdown:

Assignment	Value	Due Dates
Negotiation Case Outcomes	20%	Negotiation #2: Thursday, September 3, 2015 Negotiation #5: Tuesday, September 22, 2015 Negotiation #7: Tuesday, October 13, 2015 Negotiation #8: Tuesday, October 20, 2015 Negotiation #10: Tuesday, November 3, 2015
Real-Life Negotiation Report	15%	Tuesday, October 6, 2015 at 11:59pm
Exam	10%	Thursday, November 12, 2015 (in class)
Negotiation Research Paper	20%	Tuesday, November 24, 2015 at 11:59pm
Peer Evaluation	15%	Tuesday, December 8, 2015 (in class)

Class Participation	17%	Each class
Self-Assessment Assignments	3%	#1: Bargaining Styles: Tuesday, September 1, 2015 at 11:59pm #2: Judgment: Thursday, September 3, 2015 at 11:59pm #3: Emotional Intelligence: Thursday, September 17, 2015 at 11:59pm

COURSE REQUIREMENTS

Negotiation Case Outcomes (20%)

You will engage in a large number of negotiation exercises, receive feedback on your strategies and performance, debate alternative approaches, and work with classmates to discover new insights. The course will allow you to test your analytical ability and your tactical skills. You can also experiment with new ideas and approaches.

The negotiation cases are central to the course. I encourage you to read the cases in advance and think about them before actually negotiating. Preparation will generally get you a better deal. Furthermore, when you are negotiating in a large group, failing to prepare can hurt the entire group.

A subset of the cases that you complete during the semester will be graded. There are five graded cases. **I will announce whether a negotiation case will be graded in advance of the negotiation.** Your performance will be evaluated by comparing your performance within a role to other students in the same role. You will earn a score between 8 and 10 based upon your relative performance. For example, if there are 10 buyers, the buyer with the most surplus will earn a 10, the buyer with the second highest surplus will earn a 9.8. The buyer with the lowest surplus will earn a 8.

Students who miss a case for any reason will earn a score of 0. Recruiting events, volunteer work, or any job-related/student-related activities are not valid reasons for missing a case. I will drop the lowest case score of the five scores at the end of the term.

Important Instructions – Read Carefully:

1. If you are unable to participate in an exercise for any reason, you must notify me by email before the scheduled exercise, as soon as possible—early enough so that we can adjust the negotiation groupings (at least 24 hours in advance). Otherwise, your group will be left stranded, and this will diminish their learning experience.
2. Conscientious preparation and conduct of negotiation exercises is essential. Read the negotiation exercise before class and prepare your strategy. Under no circumstances is it acceptable to adopt the attitude, “I didn’t try because it was not a real negotiation.” Failing to take an exercise seriously (or pretending to have not taken it seriously after you

perform poorly) is unfair to your counterpart, who is counting on you to provide a realistic and developmental experience.

3. For each negotiation exercise, you will receive “confidential role information.” This information is for your eyes only. You are not allowed to show or discuss your confidential role information with anyone else, at any time. During the course of negotiations, you are allowed to say whatever you want, but you **CANNOT** show your confidential role information to the other parties. You should never reveal your point structure to the other participants in the negotiation. A violation of this rule is considered to be a violation of the Wharton honor code (see the Non-Disclosure Agreement on p. 11 of the syllabus).
4. Do not make up facts or information that materially change the power distribution of the exercise. Specifically: **You must not lie about your BATNA. You must not lie about the amount that you are “authorized” to provide.**
5. You may not discuss the cases with students in other negotiation sections. Other sections of the Negotiations courses use the same cases, but at different times throughout the semester. For that reason it is crucial that you do not divulge any information to other students regarding cases in this course. This principle will be upheld as part of the Wharton Honor Code (see the Non-Disclosure Agreement on p. 11 of the syllabus).
6. During the negotiation case, you and your counterpart will complete a paper deal sheet that is distributed in class to keep track of the various offers and counteroffers. At the end of the negotiation, you and your counterpart need to enter the amounts from the paper deal sheet into an electronic deal sheet. Everyone involved in the negotiation should review the electronic deal sheet before it is submitted. Once the electronic deal sheet has been submitted, the terms of the agreement or impasse are considered final and no changes can be made.
7. All negotiations must be completed within the specified time limit.
8. Deviations from these instructions can result in penalties.

Real-Life Negotiation Report (15%)

During this course, you will have the opportunity to negotiate for something and write about it. You can negotiate for anything – for example, dry cleaning services, a taxi fare, a restaurant meal, or a bicycle. You must complete this assignment on your own.

You should try to negotiate in a setting where negotiations are uncommon (e.g., not in a flea market). You can be the buyer or the seller, and although you do not need to complete a transaction to complete the exercise, the good or service that you negotiate for should be something that you would actually buy or sell. The negotiations must take place after the course starts.

For this assignment, do not negotiate with family members or friends. Do not negotiate with professors or TAs about deadline extensions or grades.

In your write-up, you will be graded on the following three dimensions:

1. **Preparation (30%)**
 - a. How did you prepare for the negotiation? How did you gather information? What information guided your strategy?
 - b. Is this a setting where negotiations are not the norm? Is this setting different than your classmates?
2. **Integration of class material (40%)**
 - a. To what extent can you integrate theory and class lessons that informed the negotiation?
 - b. What specific lessons did you learn from the negotiation process?
3. **Outcome (30%)**
 - a. Was the negotiation outcome concrete? How do you determine whether the negotiation was a success or failure?
 - b. Did you present your negotiation experience in a clear and concise manner? Did you follow the formatting guidelines?

Page limit: 2 pages (1.5 spaced 12 point font).

If you submit your report after the deadline, you will be penalized 10% for each day after the deadline. There are no exceptions.

Exam (10%)

An exam will cover material from assigned readings, lectures, guest speakers, and class discussion. **All students must be in attendance.** There are no make-up exams or assignments.

Paired Negotiation Research Paper (20%)

You need to find a partner in the section in which you are enrolled to complete this assignment. The paper provides you with an opportunity to explore the social science behind negotiation. Past examples of topics include: expressions of anger in negotiations, the influence of time pressure in negotiations, nonverbal communication in negotiations, the role of agents in negotiations, deception in negotiations, gender differences in negotiations, or cultural differences in negotiations.

The paper should reference at least 5 academic sources. Complete references are required and should follow APA style. For example:

Smith, R., Parrott, W., Diener, E., Hoyle, R. & Kim, S. (1999). Dispositional envy. *Personality and Social Psychology Bulletin*, 25, 1007-1020.

The academic sources should be either books or journal articles. For example, using Google Scholar or ABI Inform or PsychInfo using the library's electronic database. (Click on Electronic Resources and the Databases from the following link: <http://www.library.upenn.edu/>)

Good academic journals that publish negotiation related research include:

Organizational Behavior and Human Decision Processes

Journal of Applied Psychology

Journal of Personality and Social Psychology

Journal of Experimental Psychology

Academy of Management Journal

International Journal of Conflict Management

Journal of Conflict Resolution

Negotiation Journal

Page limit: 5 pages (excluding references), 12 point font, and 1.5 spaced

More detailed instruction will be provided during the course. If you submit your report after the deadline, you will be penalized 10% for each day after the deadline. There are no exceptions.

Peer Evaluation (15%)

At the end of the semester you will rate your classmates along two dimensions:

- (1) To what extent did this person help develop your relationship during the negotiation process?
- (2) To what extent did this person help create value in class discussion?

You will be rated on a 1-10 scale, where 1=Not at all, 10=The greatest extent, Blank=No exercise with this counterpart. I will standardize scores for each student. These evaluations will be used in the grading process.

Class Participation (17%)

You will be graded based on the value your participation provides to other students in the class. Each class, your participation will be graded on a 1-5 scale, where 1= poor, 2=unsatisfactory, 3=satisfactory, 4=good, and 5=excellent.

If you are absent, you will receive 0 points. If you arrive late, use your smartphone, or disrupt the class, you will receive 1 point. If you show up on time but are disengaged or inattentive, you will receive 2 points. If you are present and prepared, you will earn 3 points. If you contribute something valuable to our discussion, you will earn 4 points. If your contribution is truly outstanding, you will earn 5 points.

Students in the past have made valuable contributions, for example, by offering comments in class that clarified issues pertaining to the material, asking questions that prompted the instructor to clarify complex material, and discussing with the instructor ways to enhance any component of the course. Outstanding contributions are highly insightful and thoughtful comments that

deepen the analysis, challenge the other students and instructor to think more deeply, and/or offer novel and creative perspectives about the issues at hand.

Students, in the past, have decreased the value for other students by arriving late to class or left class early, disrupting those who were listening, participating, or taking notes, having their cell phones ring in class, using smartphones or laptops during class, missing class, or engaging in inappropriate behaviors in class that took away from the quality of the learning environment.

Laptop computers and electronic devices such as smartphones and tablets are not permitted during lectures and class discussion. Use of laptop computers and electronic devices during class will be penalized.

Students must attend the section time for which they registered. You are not permitted to switch sections throughout the semester.

Self-Assessment (3%)

An important component of the course is to develop your negotiating style and skill. Research shows that high-performing negotiators are better aware of their strengths and weaknesses than average-performing negotiators. So, throughout the semester, you will complete some assessments that measure your negotiating skill. You will be given personal and confidential feedback that you will find helpful and informative. You will use this feedback to set goals for yourself and to assess your improvement over time. You must complete the self-assessments before the deadline in order to receive full credit (3% of your final grade).

Guest Speakers

I will invite 2-3 outside guest speakers from various industries to share stories about their negotiations. Past guest speakers have included: the CEO of Related Companies, the Lead Negotiator of the Philadelphia Police Department, the Vice President of Moelis & Co, and the President of SL Green Realty. These guest lectures/interviews are intended to bring the concepts and frameworks to life. You will have the opportunity to ask questions and interact with the guest speaker. The exact times and dates of these guest lectures will be announced during the semester. Guest lectures typically to take place outside of the scheduled course time. You are expected to attend these guest lectures unless you have a course conflict. If you will be absent, you must email me **at least 24 hours in advance and provide a valid reason**. A link to a video of the guest lecture/interview will be made available. After attending the guest lecture, you will be asked to complete a brief reflection question. Attendance at guest lectures counts towards your participation grade.

OPTIONAL

Lunch and Learn with Professor Yip

I will post various timeslots on Canvas throughout the semester for you to sign up to have a free lunch with five of your peers and me. The purpose of the lunch is to share ideas and perspectives about negotiations outside of the classroom.

You are permitted to attend only one lunch for the semester. If you have signed up and you are unable to attend the lunch, you must email me at least 48 hours in advance to cancel. The Student-Faculty Lunch Program requires a minimum number of students to attend each lunch. Last-minute cancellations can result in the entire lunch being cancelled for all attendees.

Twitter with Professor Yip

If you have a Twitter account, you are welcome, but not required, to follow me @jeremyyip. The purpose of interacting over Twitter is to share current real world examples of the negotiation concepts covered in class. I will use the hashtag #OPIM291. This serves as an extension of our in-class learning experience.

You should NOT ask questions or make comments about the course related to grades, assignments, deadlines, attendance/absences, etc. on Twitter (using tweets or direct messages). Instead, you should write formal emails to me regarding those types of questions.

Week	Class	Date	Topic	Readings or Assignment
1	1	Thurs Aug 27	Introduction	Negotiation Exercise #1
2	2	Tues Sept 1	Distributive Negotiation	Self-Assessment #1: Bargaining Styles Due at 11:59pm Wheeler – Negotiation Analysis
	3	Thurs Sept 3	Distributive Negotiation	Self-Assessment #2: Judgment Due at 11:59pm Negotiation Exercise #2 GRADED
3	4	Tues Sept 8	Judgment	Galinsky – Should You Make the First Offer? Hammond et al. – The Hidden Traps in Decision Making
	5	Thurs Sept 10	Integrative Negotiation	Negotiation Exercise #3
4	6	Tues Sept 15	Cooperation vs. Competition	Getting To Yes – Chapter 1 to 5 Schweitzer – Is Your Counterpart Satisfied?
	7	Thurs Sept 17	Principled Negotiation	Self-Assessment #3: Emotional Intelligence Due at 11:59pm Negotiation Exercise #4 Schweitzer – Negotiators Lie Schweitzer – Call Their Bluff! Getting To Yes – Chapter 8
5	8	Tues Sept 22	Negotiating a Job Offer	Negotiation Exercise #5 GRADED Malhotra – 15 Rules for Negotiating a Job Offer Malhotra – Smart Alternatives to Lying in a Negotiation
	9	Thurs Sept 24	<i>No Class – Guest Speaker</i>	
6	10	Tues Sept 29	Conflict Resolution	Negotiation Exercise #6
	11	Thurs Oct 1	Conflict Resolution	Galinsky et al. – The View from the Other Side of the Table Getting To Yes – Chapter 6 & 7
7	12	Tues Oct 6	<i>No Class – Guest Speaker</i>	Real Life Negotiation Due at 11:59pm
	13	Thurs Oct 8	<i>No Class – Fall Break</i>	
8	14	Tues Oct 13	Integrative Negotiation	Negotiation Exercise #7 GRADED
	15	Thurs Oct 15	Integrative Negotiation	Medvec & Galinsky – Putting More on the Table
9	16	Tues Oct 20	Trust & Cooperation	Negotiation Exercise #8 GRADED

	17	Thurs Oct 22	Trust & Cooperation	
10	18	Tues Oct 27	Agency	Negotiation Exercise #9
	19	Thurs Oct 29	Agency	Rubin & Sander – When Should We Use Agents? Babcock – Opportunity Doesn’t Always Knock
11	20	Tues Nov 3	Building Coalitions	Negotiation Exercise #10 GRADED Cialdini – Harnessing the Science of Persuasion
	21	Thurs Nov 5	Emotion	Negotiation Exercise #11 Mayer & Caruso – The Emotionally Intelligent Leader
12	22	Tues Nov 10	Mediation	Negotiation Exercise #12 Lewicki et al. – When and How to Use Third-Party Help
	23	Thurs Nov 12	Exam	Exam (Attendance is Mandatory)
13	24	Tues Nov 17	Multi-Party Negotiation	Negotiation Exercise #13
	25	Thurs Nov 19	Multi-Party Negotiation	
14	26	Tues Nov 24	<i>No Class</i>	Negotiation Research Paper Due at 11:59pm
	27	Thurs Nov 26	<i>No Class - Thanksgiving</i>	
15	28	Tues Dec 1	Multi-Party Negotiation	Negotiation Exercise #14
	29	Thurs Dec 3	Multi-Party Negotiation	
16	30	Tues Dec 8	Conclusion	Peer Evaluation Completed In Class (Attendance is mandatory)

*Please note: An updated schedule will be released at the beginning of the semester. Some class dates are subject to change based on the availability of industry guest speakers.

NEGOTIATION AND DISPUTE RESOLUTION NON-DISCLOSURE AGREEMENT

Some of the role-playing exercises used in the various sections of the Negotiation course are identical; others are very similar. The sections do not necessarily encounter these exercises at the same times during the semester.

In order to make the course work and the grading fair for this and future sections of these courses, it is essential that participants do the following:

1. Keep role-specific, confidential information to themselves except as they may choose to disclose it in the actual negotiation exercises.
2. Make no efforts, other than in the course of negotiations, to discover the contents of the private information given to their counterparts.
3. Refrain from discussing the exercises and results of negotiations with other students until they are *certain* that the person with whom they are speaking has completed the exercise and discussed it in class. *Under no circumstances should students discuss the exercises with students who are not currently enrolled in a Negotiation course. Students should not discuss the exercises or results with students enrolled in different sections.*

The professors teaching Negotiation courses consider intentional violations of these rules to constitute violations of the Wharton School's Code of Academic Responsibility and Disciplinary Procedure.

Signed: _____

Print Name: _____

Date: _____