

UNIVERSITY OF PENNSYLVANIA | THE WHARTON SCHOOL
DEPARTMENT OF LEGAL STUDIES & BUSINESS ETHICS

LGST 206-[] Syllabus
Fall 2017

NEGOTIATION & CONFLICT RESOLUTION

Class times:	I will be teaching two sections: Tuesday 3-6 pm & Wednesday 3-6 pm
Office Hours:	Wednesday 1-2:30 pm
Instructor:	Nazli Bhatia, PhD
Phone:	412-877-6785 (cell phone)
E-mail:	nturan@andrew.cmu.edu

We negotiate every day—with merchants, service providers, employers, co-workers, friends, and family—determining what price we will pay, the amount of our salary and compensation, what movies to watch, where to go to dinner, who will clean the kitchen, and so forth. Although negotiations are a ubiquitous part of our everyday lives, many of us know little about the strategy and psychology of effective negotiations. Why do we sometimes get our way, while other times we walk away feeling frustrated by our inability to achieve the agreement we desire?

This course will integrate theory and practice to improve your conceptual understanding of negotiation processes and refine your practical negotiation and conflict resolution skills. It will help you become a better negotiator as well as a more intelligent negotiation analyst and strategist. We will spend a significant amount of class time engaged in negotiation simulations and exercises. We will combine this learning with readings, lectures, discussions and extensive individual and small group review sessions. I encourage you to approach this course with an open mind and a willingness to experiment!

More specifically, the objectives of the course are:

1. To enhance your awareness of negotiation theory and behavior;
2. To increase your ability to analyze negotiation processes, professionally and personally;
3. To build your confidence and competence through the regular practice of negotiation;
4. To help you identify a variety of negotiation styles and gain a strong understanding of the benefits, disadvantages and appropriateness of each in different settings; and
5. To provide you with tools for continued growth and development as a negotiator.

READINGS:

1. G. Richard Shell, *Bargaining for Advantage* (Penguin 2nd edition 2006);
2. Roger Fisher, et al., *Getting to Yes* (Penguin 3rd edition 2011);
3. Douglas Stone, et al., *Difficult Conversations* (Penguin 2nd edition 2010); and
4. Additional Readings on Canvas.

A NOTE ON ATTENDANCE:

Attendance in this course is very important. Much of our time in class will be spent doing actual negotiations where you will be given a specific role to play and teamed up with one or more other students. Therefore, missing a class hurts everyone's learning, not just yours. If you need to miss a class, please let me know at least 24 hours in advance—by 3:00PM on Monday for the Tuesday section and by 3 pm Tuesday for the Wednesday section. The more notice I have, the more easily I can plan to ensure that the experience of the other students is uninterrupted. You will lose 3 participation points for missing class, but can earn those points back by completing a short make-up assignment. However, if you miss more than two classes, your overall grade for the course will be reduced one level (i.e. from B- to C+).

GRADING:

There are 100 points to be gained in the class. Students with the most number of points receive the best grades. In other words, your grade will reflect your performance relative to other students in this course, **not** relative to “perfection” or a mythical “Wharton curve.”

1. **Preparation plans** (9 points): There are three preparation plans due throughout the semester (3 points each). Although only these three will be graded, I encourage you to prepare a similar prep plan for each negotiation. Preparation is probably the single most important thing you can do to improve your performance in any negotiation. In class, it is essential that you read and prepare for every negotiation exercise. Lack of preparation destroys the value of in-class negotiations, not only for you, but also for your negotiating partners. The prep plan form that I expect you to use will be posted on Canvas.

2. **Reflection Papers** (18 points): There are four reflection papers due throughout the semester (6 points each); however, only your top three papers will count towards your final grade. Reflection papers should be 2-3 pages, typed, double-spaced, 12-point Times New Roman, 1-inch margins. The purpose of these papers is to help you achieve a greater level of awareness of yourself as a negotiator and foster a deeper understanding of the experience of negotiating. These papers should contain reflections about your in class simulations and/or negotiation-related experiences that arise in your life outside of this class. The entries should not be a blow-by-blow account of what happened in the negotiation, but should focus more on what you were thinking, feedback for yourself about what worked well and what you might do differently next time, and what unanswered questions you still have. In addition, each paper should reference at least one of the required readings and incorporate it into your self-reflection. That said, these papers are not a “test” of your research or formal writing skills. They are intended to be an exercise in self-awareness and an opportunity to engage in ongoing reflection and personal growth. I will post examples on Canvas to show you what we expect.

3. **In-class quizzes** (23 points): There will be two in-class quizzes worth 13 and 10 points respectively, given in Classes 7 and 13. The quizzes will contain short-answer questions based on readings, lectures, class discussions, and outside speakers and last roughly 30 minutes. While we will not have time to discuss all the readings in class, you will be expected to do them and

answer detailed questions on the quizzes. In addition, this conceptual knowledge should contribute significantly to your success as a negotiator and strategist.

4. **Final Paper** (25 points) The final paper should be a maximum of 10 pages, typed, double-spaced, 12-point Times New Roman, 1-inch margins (not including reference pages or charts). Please select a topic that shows your passion and interest in some aspect of negotiation, explain why you picked your topic and how it links to your future career or personal interests. Topics may include in-depth analyses of real negotiations (mergers, international crises, historical events), industry negotiation practices (best practices in commercial real estate development deals), profiles of negotiators in fiction or drama (Shakespeare's Henry IV), profiles of real negotiators (Richard Branson, Hillary Clinton, Gandhi), topics related to bargaining styles (culture, gender, personality), communication (lying, listening, non-verbal communication) or anything else you want to explore about negotiation. Grading is based on: 1) thorough, imaginative, and original research, 2) originality of topic and explicit connection of your topic to your individual learning agenda, 3) excellence in writing, editing, and proofing, and 4) thoughtful, clear, and helpful organization. For example, someone interested in diplomatic negotiations will get more points for exploring a little-known but fascinating example of Central Asian diplomacy and for finding interesting, original sources on this topic such as personal interviews and primary historical works (such as debates, biographies, first-person accounts, and critical histories) than he or she will get for writing about the Cuban Missile Crisis citing common web sources and a well-known book on the topic.

5. **Class Participation** (25 points): **Fifteen points** will be based on our weekly observations of 1) your effort and engagement during in-class exercises; 2) the quality and sophistication of your in-class comments; and 3) completion of weekly assignments other than reflection papers. For the remaining **ten points**, I will take into account peer ratings given through a website at the end of the class. Each student will rate each other student based on that peer's overall, demonstrated contribution 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 for simultaneously managing both relationships and transactional success. These results will then be combined and averaged. To be clear, your peers will not be the ones determining this portion of your participation grade. Their ratings will simply help me assess: 1) the extent of your preparation for in-class exercises; 2) your involvement in small group discussions; and 3) your success in building a reputation as a skilled negotiator. I will notify the class of the five people who achieve the highest peer scores at the end of the semester.

THE INSTRUCTOR:

I received my PhD in Organizational Behavior and Theory at the Tepper School of Business at Carnegie Mellon University in 2014. As a graduate student, my main research and teaching interest was negotiation, as it continues to be to this day. I feel fortunate to have taught this fascinating topic to a diverse group of students, i.e. undergraduates, MBAs and executives, in the United States, Europe and Middle East.

GUEST SPEAKERS:

I anticipate that there will be a number of outside guest speakers this semester who will be presenting to some or all of the negotiations sections. I will announce the exact times and dates of these lectures as they are scheduled.

A NOTE ABOUT COPYRIGHT:

Some of the cases we will use in this class require a copyright fee per use. You will be charged separately by Wharton Publications for a handout charge for these cases. This charge will appear on their bursar bills towards the end of the semester.

I. INTRODUCTION

Class	Topic	Agenda	Readings Due	Assignments Due
Class 1	Introduction to Negotiation	<ul style="list-style-type: none"> • Lecture: Welcome and course overview • Read, negotiate and review <i>Explorer</i> case • Complete self-evaluation and course goals • Discuss syllabus 	None	None
Class 2	Anchoring, First Offers and Information	<ul style="list-style-type: none"> • Negotiate and review <i>Biopharm-Seltek</i> • Lecture: First Offers, Anchoring, Evaluating Outcomes 	<ul style="list-style-type: none"> • Fisher, <i>Getting to Yes</i>, Introduction, chs. 1-2 (pp. 3-41). • Shell, <i>Bargaining for Advantage</i>, ch. 2 (pp. 26-39), pp. 140-151, and ch. 9 (pp. 158-174). 	<ul style="list-style-type: none"> • Prepare to negotiate <i>Biopharm-Seltek</i>

II. TENSION BETWEEN CREATING AND DISTRIBUTING VALUE

Negotiators often feel caught between the competing desires of finding opportunities for joint gain (i.e. “growing the pie”) and claiming a large share of the value (i.e. “getting a slice of the pie”). In the next five classes, you will have the opportunity to experiment with different approaches as we explore this tension between value creation and distribution—which at its core deals with how and when you share information. We will also discuss ethical issues that arise related to information-sharing and trust-building.

Class	Topic	Agenda	Readings Due	Assignments Due
Class 3	Preparing to Negotiate and Create Value	<ul style="list-style-type: none"> • Lecture: Using the 7 Elements • Prepare by role for <i>The Opera Problem</i> • Negotiate and review <i>The Opera Problem</i> 	<ul style="list-style-type: none"> • <i>Getting to Yes</i>, chs. 3-4 (pp. 41-81). • <i>Bargaining for Advantage</i>, chs. 4-5 (pp. 58-88). 	<ul style="list-style-type: none"> • Prepare to negotiate <i>The Opera Problem</i> • Reflection Paper #1 due before class
Class 4	The Challenge of Distribution	<ul style="list-style-type: none"> • Lecture: The Challenge of Distribution • Prepare with partner for <i>Kesnia</i> • Negotiate and review <i>Kesnia</i> 	<ul style="list-style-type: none"> • <i>Getting to Yes</i>, ch. 5 (pp. 82-95). • <i>Bargaining for Advantage</i>, ch. 3 (pp. 40-57). • Gary Goodpaster, “A Primer on Competitive Bargaining.” 	<ul style="list-style-type: none"> • Prepare to negotiate <i>Kesnia</i> simulation • Preparation Plan for <i>Kesnia</i> due by noon
Class 5	Leverage	<ul style="list-style-type: none"> • Negotiate and review <i>The Commodity Case</i> • Lecture: Leverage 	<ul style="list-style-type: none"> • <i>Getting to Yes</i>, Ch. 6 (pp. 99-108). • <i>Bargaining for Advantage</i>, Ch. 6 (pp. 89-113), and Ch. 10 (pp. 175-195). 	<ul style="list-style-type: none"> • Prepare to negotiate <i>The Commodity Case</i>

Class	Topic	Agenda	Readings Due	Assignments Due
Class 6	Trust and Communication	<ul style="list-style-type: none"> • Negotiate and review <i>Oil Pricing</i> 	<ul style="list-style-type: none"> • Catherine H. Tinsley, Jack Cambria, and Andrea Kupfer Schneider, “Reputations in Negotiation.” • Sissela Bok, “Truthfulness, Deceit, and Trust.” 	<ul style="list-style-type: none"> • Prepare to negotiate <i>Oil Pricing</i> • Reflection Paper #2 due before class
Class 7	Negotiation Ethics	<ul style="list-style-type: none"> • Negotiate and review <i>Bullard Houses</i> • Lecture: Negotiation Ethics 	<ul style="list-style-type: none"> • <i>Bargaining for Advantage</i>, ch. 11, (pp. 196-228). • Alan Stufler, “On the Ethics of Deception in Negotiation.” • Robert S. Adler, “Negotiating with Liars.” • Deepok Malhotra and Max Bazerman, <i>Negotiation Genius</i>, pp. 196-218. 	<ul style="list-style-type: none"> • Prepare to negotiate the <i>Acme Roofing</i> case • Preparation Plan for <i>Bullard Houses</i> due before class

III. TENSION BETWEEN EMPATHY AND ASSERTIVENESS

Negotiators often feel like they need to choose between being empathetic – understanding another’s perspective—and asserting their own views and interests. But this is a false choice! Skilled negotiators are able to do both without escalating conflict or jeopardizing their own interests. In the next two classes, we will reflect on where our individual strengths lie and build skills to help us balance both as negotiators.

Class	Topic	Agenda	Readings Due	Assignments Due
Class 8	Bargaining Styles and Difficult Tactics	<ul style="list-style-type: none"> • Quiz #1 • Bargaining styles assessment and discussion • Difficult tactics labs 	<ul style="list-style-type: none"> • <i>Bargaining for Advantage</i>, ch. 1 and Appendix A. • <i>Getting to Yes</i>, chs. 7-8 (pp. 109-145). <p>(Note: You are not responsible for today’s readings for the quiz.)</p>	<ul style="list-style-type: none"> • Prepare readings and lectures from Classes 1-7 for Quiz #1
Class 9	Role of Emotions	<ul style="list-style-type: none"> • Negotiate and review <i>Author! Author!</i> • Lecture: Role of Emotions 	<ul style="list-style-type: none"> • Douglas Stone, Bruce Patton & Sheila Heen, <i>Difficult Conversations: How To Discuss What Matters Most</i> (2d ed. 2010), chs. 1-6, (pp. 3-128). • Roger Fisher & Daniel Shapiro, <i>Beyond Reason: Using Emotions As You Negotiate</i>, chs. 1-2. 	<ul style="list-style-type: none"> • Prepare to negotiate <i>Author! Author!</i>

IV.MANAGING COMPLEXITY

The final portion of the class will focus on complex negotiations with multiple parties and issues. First we will explore the related disciplines of mediation and facilitation to help build skills such as process management and consensus-building that are key to successful multi-party negotiations. Then we will engage in two complex negotiations that will synthesize all of the concepts we have been discussing throughout the semester.

Class	Topic	Agenda	Readings Due	Assignments Due
Class 10	Mediation (Part 1)	<ul style="list-style-type: none"> • Introduction to Mediation • Prepare with co-mediator • Mediate and review <i>Mediation Case #1</i> • Active Listening Exercises 	<ul style="list-style-type: none"> • Patrick Cleary, <i>The Negotiation Handbook</i>, Ch. 6. • Jennifer Beer and Carolyn Packard, <i>The Mediator's Handbook</i>, pp. 3-10, 29-76, 95-113, 117-137. 	<ul style="list-style-type: none"> • Prepare to mediate or role-play <i>Mediation Case #1</i> • Reflection Paper #3 due before class
Class 11	Mediation (Part 2)	<ul style="list-style-type: none"> • Prepare with co-mediator • Mediate and review <i>Mediation Case #2</i> • Film on Mediation 	<ul style="list-style-type: none"> • <i>Difficult Conversations</i>, chs. 9-10 (pp. 163-200). • Deborah Tannen, "The Power of Talk: Who Gets Heard and Why." 	<ul style="list-style-type: none"> • Prepare to mediate or role-play <i>Mediation Case #2</i> • Final paper topics due before class

Class	Topic	Agenda	Readings Due	Assignments Due
Class 12	Complex Negotiations (Part 1)	<ul style="list-style-type: none"> • Lecture: Negotiating in Teams • Team exercise • Meet with teams to prepare to negotiate <i>Icarus Airlines</i> • Conduct opening negotiation session of <i>Icarus Airlines</i> 	<p>Note: Readings below are for the next two weeks</p> <ul style="list-style-type: none"> • David A. Lax & James K. Sebenius, “3-D Negotiation: Playing the Whole Game.” • Michael Watkins, <i>Dynamic Negotiations: Seven Propositions about Complex Negotiations</i>. • Max H. Bazerman & Margaret A. Neale, <i>Negotiating Rationally</i>. 	<ul style="list-style-type: none"> • Prepare to negotiate <i>Icarus Airlines</i> • Preparation Plan for <i>Icarus Airlines</i> due before class (to be completed individually before you meet as a team)
Class 13	Complex Negotiations (Part 2)	<ul style="list-style-type: none"> • Quiz #2 • Finish negotiating and review <i>Icarus Airlines</i> 	None, finish readings from last week.	<ul style="list-style-type: none"> • Prepare to finish <i>Icarus Airlines</i> negotiation • Prepare readings and lectures from Classes 8-13 for Quiz #2
Class 14	Multiparty Negotiations and Moving Forward	<ul style="list-style-type: none"> • Negotiate and review <i>The Port Project</i> • Course wrap-up 	<ul style="list-style-type: none"> • Larry Susskind, “Winning and Blocking Coalitions: Bring Both to a Crowded Table.” • Margo Vanover, “Get Things Done through Coalitions.” • Stephen John Stedman, “Spoiler Problems in Peace Processes.” • Acuff, <i>How to Negotiate Anything with Anyone Anywhere Around the World</i>. 	<ul style="list-style-type: none"> • Prepare to negotiate <i>The Port Project</i> • Reflection Paper #4 due before class <p>Reminders:</p> <ul style="list-style-type: none"> • Online peer reviews due this week (exact date TBD) • Final Papers due this week (exact date TBD)