

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

LGST 806/MGMT 691/OIDD 691
NEGOTIATION

PROFESSOR SARAH E. LIGHT

Spring 2018

I. INSTRUCTOR

Professor Sarah E. Light

Email: lightsa@wharton.upenn.edu (best method of contact)

Office Phone: 215-573-0575

Office: 661 Huntsman Hall

Office Hours: Thursdays 1:30-2:30pm and by appointment

II. CLASS MEETING TIMES AND LOCATION

Tuesdays 3-6pm

Location: JMHH (TBD)

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. My primary objective in this course is 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.

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) ["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 must display your name tent.
- **You must turn off all phones, laptops and other electronic devices.**¹

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 class.**
- You may miss **one** negotiation exercise/class (or portion thereof) without penalty if you provide me with advance notice and, if I request, make arrangements for a substitute.²
- If you miss a second class or portion thereof for an unexcused reason, you will lose one third of a letter grade in the class (from a B+ to a B).
- If you miss a third class or portion thereof for an unexcused reason, the grade drop becomes a full letter grade (from an A to a B), and you receive an automatic LT for the course.
- **If, in conjunction with any unexcused absence, you do not provide advance notice or fail to provide a substitute when required to do so, you will lose a full letter grade in the class.**

¹ Please note that failure to follow this rule may result in lost class participation "points."

² You may not use this excused absence for the final 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 or friends outside of class.** 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, including other students who have taken Negotiation in past terms. Please do not share any information about these simulations with students who have not taken Negotiation yet. 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. Three Short papers (30%)

During the term, you must write three short papers, of 300-600 words each. These are hard word limits, and any paper that exceeds the 600-word maximum will receive no credit. ***All papers, including the Final Paper, must be submitted via Canvas in word (not .pdf) format with a word count next to your name.*** The papers are an opportunity to demonstrate mastery of the readings and concepts from the course.

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) (1/23/18)**
2. Case study: a “real world” negotiation from the news **(due at the start of Class #6) (2/20/18)**
3. Ethics and Lying in negotiation reflection paper **(due at the start of Class #9) (3/20/18)**

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. The strongest papers go beyond merely describing what occurred during a particular simulation, and instead *synthesize and reflect upon the topic and the readings*, using facts from a specific negotiation as an illustration of key lessons and themes. I will post to the Files menu of Canvas additional guidance on writing these papers.

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 **1 point for each 24-hour period of lateness**.

C. Final Paper (40%)

The Final Paper should be no more than 2,000 words (approximately 8 pages, double-spaced, in 12-point font). **The Final Paper is due at or before the *start* of Class # 14 (4/24/18).** For the Final Paper, I would like you to analyze a real-world negotiation that *you* have participated in during the term. For this negotiation you should negotiate something of personal value to you. Your paper should report on your plan, your strategy, and the negotiation results. You can negotiate for anything you would like—a good or service from a merchant, a salary from a potential employer, etc., as long as you enter the negotiation in good faith, act ethically, and do not disclose that you must analyze the negotiation for a class. Additional details will be provided in class. The bulk of your paper should address the most important lessons that you learned in this course, your key strengths as a negotiator, and how you hope to improve moving forward.

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

D. Extra Credit (up to 2%)

Students may earn up to two points of extra credit in the course (one point for each of up to two submissions) by submitting to me (via Canvas) articles on negotiations in the popular press or examples of interesting negotiations from movies, television shows, comic strips, etc. Each of your extra credit submissions must contain: (a) a narrative discussion of no more than one page of how the article/film clip/audio/cartoon/other highlights a negotiation concept or lesson, including a concept we have discussed or will discuss in class; and (b) a Power Point slide worthy of use in class that incorporates the article/film clip/audio/cartoon/other. If you choose to use a film or audio clip, the clip should be no more than approximately 3-5 minutes. Each of your two submissions must come from different media (e.g., one fictional negotiation from a film; one non-fictional from the news). I may also call upon you to discuss the reference in class.

To receive credit, the first must be submitted on or before Class # 6, and the second must be submitted on or before Class # 13 (i.e., no submissions on the last day of class will receive credit).

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 also served as a *pro bono* mediator

in the United States District Court for the Southern District of New York, where she has mediated police excessive force and employment discrimination cases.

IX. COURSE OUTLINE AND ASSIGNMENTS

| Class # | Date | Assignment due in Class | In-Class |
|---------|---------|--|--|
| Class 1 | 1/16/18 | <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 | 1/23/18 | <p>GTY (finish the book if you haven't already)</p> <p>Coursepack ## 1, 2</p> <p>Shell, Intro, Chs. 1-2</p> <p>**Bring completed Coursepack #2 (Appendix A to Shell) to Class</p> <p>Hand in: Short Paper #1 on Negotiation Strengths, Weaknesses and Individual Learning Agenda</p> <p>Optional reading: Galinsky & Schweitzer, When to Make the First Offer in a Negotiation, According to Science (Link on Canvas)</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 case</i></p> |
| Class 3 | 1/30/18 | <p>Prepare and negotiate <i>House Sale case</i></p> <p>Coursepack ## 3, 4, 5</p> <p>Shell, Ch. 3</p> <p><i>Optional Reading:</i> Coursepack # 6</p> <p>Hand in: Signed deals for <i>House Sale case</i> 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 case</i> in groups</p> <p>4pm: Results of <i>House Sale case</i> due</p> <p>I will assign partners for the Job Offer negotiation and explain how it will work.</p> |

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| Class 4 | 2/6/18 | Shell, Chs. 4, 5, 6 | Negotiate <i>Job Offer</i> case Hand Out: <i>Opera Problem</i> roles and Bargaining for Advantage Preparation Worksheet |
| Class 5 | 2/13/18 | Prepare <i>Opera Problem</i> to be negotiated in Class Coursepack # 7 Bring to Class: Completed Preparation Worksheet for <i>Opera Problem</i> | Integrative Bargaining Interests Leverage BATNA Negotiate <i>Opera Problem</i> |
| Class 6 | 2/20/18 | Coursepack # 8 <i>Optional Reading:</i> Coursepack # 9 Hand in: Short Paper #2 on a Case Study of a Real World Negotiation | Trust Commitment Prisoner's Dilemma/Negotiator's Dilemma Negotiate <i>Carpet War</i> case |
| Class 7 | 2/27/18 | Shell Ch. 11 Coursepack ## 10, 11 | Ethics, Emotions, and Lying in Negotiations Negotiate <i>Bullard Houses</i> case and videotape negotiation <i>*Note: You must bring a recording device (laptop, tablet) to record video</i> Post video to Canvas in "Discussions" (instructions to be provided) Next week: Personal coaching sessions in small groups (times will be posted to Canvas) Discuss upcoming assignment on Personal Negotiation |

Note: There is no class on Tuesday, March 6 for Spring Break

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| Class 8 | 3/13/18 | 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 approximately 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 |
| Class 9 | 3/20/18 | Hand in: Short Paper #3 on Ethics and Lying in Negotiation Please bring \$5 to class today. 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 |
| Class 10 | 3/27/18 | Prepare for <i>Endowed Chair</i> . | Group decisionmaking Negotiate <i>Endowed Chair</i> case Hand out instructions for <i>Harborco</i> case |
| Class 11 | 4/3/18 | Prepare for <i>Harborco</i> Coursepack # 12 <i>Optional Reading:</i> Coursepack # 13 | Multiparty negotiations Negotiate <i>Harborco</i> case |
| Class 12 | 4/10/18 | Coursepack ## 14, 15, 16 | Mediation, Arbitration Mediation, arbitration exercises to be handed out in class Hand out roles for <i>Bunyonville</i> case |

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| Class 13 | 4/17/18 | Coursepack ## 17, 18 | Facilitated Negotiation Negotiate <i>Bunyonville</i> case |
| Class 14 | 4/24/18 | Readings TBA Hand in: Final Paper | Course conclusion Final negotiation exercise to be handed out in class Debrief and wrap up |