

Negotiations Fall 2019

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Office Hours: Mondays, 3:30 pm - 5:00 pm
Class Location: JMHH F55



Course Sections, Meeting Times

MBA Section 1 (MGMT-691-411): Tu/Th 1:30-3:00 pm
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MBA Section 2 (MGMT-691-412): Tu/Th, 3:00-4:30 pm
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Course Description

We negotiate daily with potential employers, coworkers, bosses, landlords, merchants, service providers, partners, parents, children, friends, roommates, and many others. Our negotiation skills affect what price we will pay, the amount of our salary and compensation, what movie we watch, and who will clean up the kitchen. Why do we sometimes get our way, while at other times walk away frustrated by our inability to achieve the agreement and resolution we want?

Negotiation is the art and science of securing agreements and resolving disputes between two or more interdependent parties. The purpose of this course is to help you develop expertise in managing negotiations that occur in a variety of business settings. It is designed to be relevant to a broad spectrum of problems faced by managers. As a manager, you not only need analytical skills to discover optimal solutions to problems, but also good relational skills to get these solutions accepted and implemented. This course will help you develop both.

The learning method is experiential. You will prepare for and engage in a variety of negotiation exercises (individually, and as a team). The objective is to explore your talents, skills, shortcomings, and strengths as a negotiator in a safe setting, to learn about yourself and how you respond in specific situations. If you discover a tendency that you think needs to be changed, this is the place to try something new. The course is sequenced so that cumulative knowledge can be applied and practiced. The skill set you develop here will serve you in both your personal and professional life.

Course Objectives

- (1) Become a more *knowledgeable negotiator*. Develop a broader understanding of what negotiation is, a toolbox of effective negotiation principles, and a set of tactics derived from rigorous research.
- (2) Become a more *effective negotiator*. Learn how to apply this toolbox of principles and tactics in practice, improve outcomes for yourself and create win-win opportunities with others, and strengthen relationships through negotiations.
- (3) Become a more *reflective negotiator*. Adopt the habit of continually evaluating your negotiation strengths and challenges, and growing in your knowledge and effectiveness.

Course Philosophy

Emphasis on Learning and Development: While there are many perfectly pragmatic and admirable reasons for you to care about your grades, I want to encourage you to recognize the opportunity you have this semester to dig into the messiness of organizational life within the safety of the classroom. These opportunities do not come often in a career. My goal as your professor is to guide you through an experience that, with your engaged participation, will add value to you, your career, and your life. I strongly encourage you to adopt a similar goal for yourself and the role you will play relative to your classmates in this course. My view is that grades are just an artifact of bringing structure to the learning process but not the goal in and of themselves. I encourage you to consider your grades in the context of your goals in this course. Let grades be my headache, and let learning be yours. In other words, do not let grades get in the way of your learning. Your time is valuable and the concepts of this course are deeply important to your future so let's make this course truly worthwhile for you.

Honor Code

- (1) **Preparation:** You are expected to be prepared and on time for all negotiation exercises (see negotiation attendance policy). If a negotiation is distributed in advance of class, you must read it and prepare for the negotiation before class.
- (2) **Confidentiality:** Any information you receive for a negotiating exercise is confidential. Never assume that role materials are identical, even if a classmate is playing the same role. During a negotiation, you may verbally disclose to your counterpart any information in your confidential role instructions, if you wish, but do not physically show your confidential information to any other negotiator, even a teammate, until the assignment is completed.
- (3) **Don't Spoil the Outcome for Others:** When you have completed a simulation, please do NOT reveal your information to the other party, or with members of another team, before returning to the classroom and engaging in a class-wide discussion (which may not occur until the next class). The simulations do not always end when you sign an agreement in a break-out room. After the negotiation debrief (class discussion) you may share your confidential information, but you are not obliged to do so.
- (4) **Lying:** Do not make up facts or information that materially change the power distribution of the exercise. For example, you cannot claim that your family has just purchased the company with which you are negotiating about a job. If you are asked a question calling for information that is not contained in your confidential instructions (the answer to which would substantially influence the structure of the case), the appropriate answer is, "I don't know."
- (5) **Professionalism:** Be supportive, respectful, and constructive during classroom discussions. Class discussions and negotiation results stay in class.
- (6) **Outside Information:** Do not seek out information about a case prior to participating in it.
- (7) **External Sharing:** The materials from this course are copyright protected. Do not post anything about the negotiation exercises on a public website or make your role materials available to others outside of class. Do not discuss cases or share notes with people outside of class.

Special Needs

If you need accommodation for a disability, please let me know at your earliest convenience. I am willing to make adjustments to facilitate your participation and progress. I will treat information that you provide as private and confidential.

Required Readings

- (1) *Coursepack*: Available on Study.net
- (2) *Getting to Yes: Negotiating Agreement Without Giving In*, by Roger Fisher, William Ury, and Bruce Patton. Third Edition

Assignments & Grading

I have developed a grading system that I believe is important for your learning.

(1) Class Participation and Attendance (30%)

Overview

Given the experiential nature of the course and pedagogy, enrollment is limited; preparation and on-time attendance are mandatory. You will receive an attendance and participation grade for each class during the semester, and this grade will be influenced by whether you are on time, present for the duration of the class (e.g., not leaving early), engaged (e.g., not using laptops/phones), and sharing quality comments (see Participation section below). Moreover, there is a strict attendance requirement for negotiation days. Please read this policy carefully in the Negotiation Days section below.

Negotiation Days (Read carefully)

You may miss one negotiation exercise without penalty if you provide me with advance notice and, if I request, you 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, your letter grade in the class will be lowered (i.e., from A- to B+). The same will occur if you miss more than one negotiation, even if you provide advance notice. If negotiation materials are handed out prior to class, you are required to read them and prepare for the negotiation before arriving in class. If you arrive to class on the day of a negotiation and have not read the role materials, this will count as a missed negotiation. Although negotiations are typically held in class during class time, you will have a virtual negotiation called The Job Negotiation. See details below under Virtual Negotiation Assignment.

Participation

Participation is instrumental to the learning process in this course, and is thus factored into your grade for each class. Participation is especially critical during negotiation debrief discussions. After each negotiation exercise, a debriefing discussion will include sharing information about results, sharing information about strategies attempted, and sharing reactions to the process. Attendance and participation during negotiation debrief discussions are critical for several reasons: in real life, you will almost never have the opportunity to hear what the other party in a negotiation was thinking, why things happened the way they did, and what you could have done differently; your classmates' learning is dependent on hearing details about what you did and how you thought about approaching things during your negotiation; no matter how well or how badly you think you did during a negotiation, you will not know until you actually engage in the class-wide discussion; in addition to hearing from the class more broadly, you will often have the opportunity to debrief with your specific partner.

Being late to class, or using technology during class (e.g., phones, laptops), will negatively impact your participation grade, whereas speaking up and sharing quality comments will positively impact your participation grade. Quality comments possess one or more of the following properties: 1) Offer a different and unique, but relevant, perspective based upon analysis and theory (not intuition or casual observation); 2) Contribute to moving the discussion and analysis forward; 3) Build upon the comments of your classmates; 4) Include evidence, logic, and/or links to key course concepts; and 5) Link relevant concepts to current events. You should listen carefully to your fellow students and avoid making

redundant or disparaging comments. Your goal should be to contribute in a meaningful way, not simply talking for the sake of talking. If you find that you have not spoken in two consecutive classes, this is an indication that you need to speak up. If you are shy or have language challenges, I encourage you to write down comments or questions when you read for class and then offer those comments or pose those questions at an appropriate time in class. Being able to contribute meaningfully to discussions will be vital to your career success across disciplines, so I urge you to use this semester as an opportunity to develop this important skill.

The instructor will include several factors other than attendance and class discussion into the participation grade. These factors include on-time completion and submission of the following items that are conducive to learning: conflict styles assessment; job negotiation transcript and brief reflection; GlobeSmart survey assessment; real-world workshop participation; negotiation outcome documents; peer review of negotiation partners; and end of semester peer review of other students' participation as explained below.

To encourage meaningful contributions that advance our collective learning, I will also take into consideration peer review. This tested method moves beyond quantity of comments (mere "airtime") and towards quality of contributions that have meaningful impact on others (including asking good questions).

At the end of the semester, I will distribute a survey whereby you will give each of your classmates a rating on two dimensions: first, the degree to which this person offered insightful, in-class contributions during negotiation debriefs; and second, the degree to which this person was attentive during class, helping to foster a positive learning environment. The first point accounts for the quality of comments, rewarding those who offer keen insights that advance our discussions. The second point rewards those who devote themselves to learning by contributing to a classroom environment that is inclusive, enriching, and free from distractions for all students.

To eliminate any unfair ratings from your personal enemies, and to discourage students from assigning arbitrarily low ratings to those with stellar performance, I will automatically drop the three lowest peer ratings for each student.

Students will also rate themselves so that each person has a final vote in determining her own participation grade. Although I will not factor self-ratings into the final grades, I will review self-ratings relative to classmates' ratings, and I will provide space for qualitative comments. If I notice a large disparity between the self-rating and the average of the peer ratings, then I will investigate further.

I will calculate participation in the following manner:

- 33% Average from your peers' ratings (with your three lowest ratings not included)
- 67% Instructor rating of the student (on same two dimensions as the peer rating)

Virtual Negotiation Assignment

Although negotiations are typically held in class you will have a virtual negotiation on September 24th called The Job Negotiation. You will not need to be in class for this negotiation. However, you will need to upload to Canvas one document that includes all transcripts (e.g., emails or other messages), as well as a brief reflection (minimum of three sentences, max one paragraph) at the top of the transcript document. In your reflection, you might share, for example, immediate reactions, thoughts about what went well, or thoughts about what you wish you had done differently. Each person must upload his/her own transcripts and reflection (even if your counterpart has uploaded his/her transcripts and reflection, you must still upload your own transcripts and reflection). Your transcripts and reflection will be due on Thursday, September 24th at 11:59pm, but you will have the opportunity carry out the negotiation (and upload the

assignment) starting after class on Thursday, September 19th. Failure to upload your transcripts and reflection by the deadline (September 24th at 11:59pm) will result in a missed negotiation, and will result in a grade penalty as specified in the negotiation attendance policy above.

(2) Peer Evaluations of Negotiation Simulations (15%)

Starting with Leckenby, after each negotiation exercise, you will rate your classmates along three dimensions: 1) overall preparation and commitment to the exercise, 2) skill in one-time negotiations where the future relationship does not matter much, and 3) skill in negotiations where the future relationship matters significantly. Timely completion of peer evaluations is essential for ensuring that your peers are fairly and accurately evaluated, thus peer evaluations will be due one week after each negotiation. Failure to meet this deadline can negatively impact your participation grade for the course. Additionally, given the importance of peer evaluations for your classmates' grades, November 21st (11:59pm) will be the final deadline to submit all peer evaluations. If you fail to complete all of the peer evaluations by the final deadline, your letter grade in the class will be lowered (i.e., from A- to B+).

You must complete evaluations for others for the eleven exercises; however, when calculating final grades, I will drop the lowest peer evaluation that you receive from others.

(3) Planning Documents (5%)

Experts agree that preparation is a critical element in achieving successful negotiation outcomes. Furthermore, in the context of this class, the simulations are less conducive to learning if both parties are not prepared. Please complete **four** (out of ten possible) planning documents for the negotiation simulations that require advanced preparation (Biopharm-Seltek is not eligible as one of the possible exercises). These documents are to be submitted on Canvas BEFORE the negotiation simulation. They will not be accepted after the simulation takes place. These will be scored on a credit or no credit basis and are worth 1.25% each. Completion of a fifth document is worth an extra point on your final grade.

(4) Learning Journal (18%)

Two parts of a learning journal are required: 1 personal goal statement (8%) and 1 negotiation analysis (10%). Complete these assignments by posting them to your Learning Journal Folder on Canvas. For additional details, see below for Learning Journal Guidelines.

(4) Final Reflection Paper – Real-World Negotiation (32%)

For the final reflection paper, I would like you to carry out and analyze a real-world negotiation. For this negotiation you should negotiate something of personal value to you. You 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. This paper should be approximately 5 double-spaced pages. At the end, please review the most important lessons that you learned in this course, your key strengths as a negotiator, and how you hope to improve moving forward. For additional details, see below.

(5) Extra Credit

You can earn up to two extra credit points in the course. You will receive one point by submitting (in the extra credit assignment folder on Canvas) ONE example of an interesting negotiation concept from movies, television shows, comic strips, current events, etc. The reference must illustrate a concept from the course, and you must write a few sentences describing it and how it relates to the concepts discussed in class. In order to receive a second bonus point, you must present your example and explain its relevance—in LESS THAN FIVE MINUTES in class on December 3. I reserve the right to withhold the award of one or both points if the learning lesson from your example is tenuous.

Note on LTs for MBAs: If anyone’s cumulative performance on the grading criteria above is distinctly at the bottom 10%, he or she will receive a LT. If that does not yield 10%, as a tiebreaker, I will go to the bottom 25% and look to see who missed the most classes (or parts of classes) for reasons other than medical/family/religious ones. This system reflects the importance of class attendance.

Learning Journal Guidelines

The learning journal is a confidential, written record of your personal reflections about the knowledge and skills that you are gaining during the course. It consists of two parts: a personal goal statement and a negotiation analysis. You will need to write a journal entry reflecting on and analyzing one of your negotiation experiences during the course. This negotiation analysis will allow you to reflect on successful and failed strategies and should enable you to better prepare for and respond during subsequent negotiations. Use your journals to explore your feelings about the negotiation process and your developing sense of strengths, weaknesses, comforts, and discomforts. Note that the best journal entries spend more time exploring what you can do to improve and less time blaming others for various faults, defects, and failures. For the journal entry, you should record key tools and concepts, as well as insights gained from the class discussion. These journal entries should show a serious, explicit attempt to grapple with personal experiences in classroom exercises and accurately reference course concepts, discussions, readings, and lectures as they apply. Exemplary journals will regularly weave in personal insights, real-world examples, and negotiation concepts and tie them together in a compelling way. At the margin, the grades will depend on overall effort, including personal frankness and reflection. Authenticity and a serious attempt to learn are the objectives! Expectations regarding each assignment are detailed below:

In addition to the negotiation analysis, you will need to write a personal goal statement. The table below shows the assignment schedule.

Learning Journal Assignments	Due Date
Personal Goals Statement	September 12
Negotiation Analysis: choose one from the following list: Biopharm-Seltek, Leckenby, Sally Soprano, New Recruit, The Job Negotiation, Viking	October 22

(1) Personal Goals Statement: 1-2 double-spaced pages in which you discuss your current negotiation strengths and weaknesses (prior to this course) and set concrete objectives for the semester. To get the most out of this class, I encourage you to not only state what your objectives are, but also reflect on why those objectives are important to you, how you intend to achieve them, and how achieving them will benefit you in the long term.

(2) Negotiation Analysis: 2-3 double-spaced pages in which you reflect on your behavior and your classmates’ behaviors in the negotiation exercises. This should not be a detailed report of everything that happened in the negotiation; rather, it should focus on key insights. You must write up a negotiation analysis for 1 negotiation exercise and upload it to your personal Learning Journal Folder on Canvas by the due date specified. Your analysis should answer the following questions. You should provide an answer for each section below, however if an answer for one section has been provided in another section, you can reference the other section.

(a) *Facts:* Provide a brief overview of key events. For example, how was time allocated? Who made the opening offer, and how did counter-offers proceed? How was information exchanged? Were there pivotal turning points?

- (b) *Insights about course tools/concepts*: What did you learn about bargaining or conflict management from this situation, and how do the concepts presented in the lectures or readings enrich your understanding of the process of this negotiation, its outcome, or your own style?
- (c) *Insights about the negotiation experience*: How did you feel prior, during, and after the negotiations? How did you feel about your negotiation partner? How did your feelings influence your actions?
- (d) *Insights about yourself and others*: What did you learn about yourself from this experience? What did you learn from the behavior of others in this experience?
- (e) *Mistakes*: What did you do that you wish you hadn't done? Why?
- (f) *Goals*: What would you do the same or differently in the future? How will you need to behave in order to perform more effectively?

Final Reflection Paper:

This paper should be 3-5 double-spaced pages, reflecting on a real-world negotiation that you conducted. To encourage you to think about the many everyday situations in which you can negotiate, and to challenge you to improve your negotiating skills, I am asking you to go out and negotiate in the real world. You can negotiate for anything you like – a hotel discount, a signing bonus, a piece of jewelry, or a restaurant bill. Here are the rules:

- *Do not reveal the assignment*: You are not allowed to resort to a plea of “Please help me out, this is for a class...” You may not disclose this information until the negotiation is complete.
- *No purchase necessary*: You do not have to buy anything to complete this assignment. You may choose to be the seller or enter a negotiation that does not involve financial terms or a purchase.
- *Interest in negotiating*: You must be willing (at some price, under some conditions) to acquire the item for which you are negotiating. Do not start a negotiation in which you would never want to come to agreement.
- *New negotiation*: You are required to conduct this negotiation during the semester so that you can apply the knowledge that you have gained in the course.
- *Boundaries*: You cannot use negotiation tactics that may be considered unethical, illegal, or potentially harmful to yourself or others.
- *Failure is an option*: You do not need to succeed in the negotiation in order to write about it. The purpose of this exercise is to facilitate your learning. Often, we learn as much or more from negotiations that fail as from those that succeed. However, if you do fail, please seek feedback from your counterpart on how you could have negotiated more effectively, and write about what you learned from the feedback. Also, if you don't succeed, I would encourage you to try again.

Your paper should contain a description of exactly what happened and what the outcome of the negotiation was. Of course, exemplary papers will do more than simply recount the details of the negotiation. They will also discuss preparation and strategy, and will critically analyze what happened and why. You should try to include all of the relevant strategic elements of the negotiation in your paper. Your grade for this paper will be based on the following criteria:

- *Creative and/or strategic implementation of course concepts*: Have you appropriately utilized course concepts and strategies when carrying out the negotiation? How inventive was your strategy? How unique was the context? How did you meet expected and unexpected challenges?

- *Depth of analysis:* Have you correctly employed key concepts to analyze the negotiation? How well have you applied your learning from the course to your analysis of this case? For instance, can you draw upon key concepts to explain how different actions and choices influenced the negotiation outcome, and why?
- *Introspection:* Have you linked your experiences with your goals for the course and your strengths and weaknesses? What have you learned about your negotiating style and skills from this negotiation experience? What would you do differently in the future?
- *Quality of the story:* Have you included the relevant details? Is it interesting and well-written?

The paper should be no more than 5 pages in length (double spaced, 12 point Times New Roman font, 1” margins). You are also welcome to discuss how this experience relates to the most important lessons that you learned in this course, and how you hope to improve moving forward.

CLASS SCHEDULE

MODULE I: NEGOTIATION CORE PRINCIPLES

Week 1: Introduction

- 1) August 27
In-class exercise: Win as Much as You Can
- 2) August 29
In-class exercise: Biopharm-Seltek negotiation
Reading due for class: “Secrets of Power Negotiation” (Dawson)
**included to give you a sense of the range of tactics people *may* use

Week 2: Negotiation Basics

- 3) September 3
In-class discussion: Biopharm-Seltek debrief
In-class exercise: Leckenby
Reading due for class: “The Negotiation Checklist” (Simons & Tripp)
- 4) September 5
In-class discussion: Leckenby
In-class exercise: Kukui Nuts
Reading due for class: “Negotiating Rationally: The Power and Impact of the Negotiator’s Frame” (Neale & Bazerman)
Reading due for class: Negotiating with Problem People (Leritz)

Week 3: Creating and Claiming Value Part I + Bargaining Styles

- 5) September 10
In-class exercise: Sally Soprano
Complete for class today: Conflict Styles: A Self-Assessment Tool (on Canvas)
- 6) September 12
In-class discussion: Sally Soprano debrief
Reading due for class: “Betting on the Future” (Bazerman & Gillespie)
Assignment due: Learning Journal Part 1: Personal Goals Statement due at 11:59 pm

Week 4: Creating and Claiming Value Part II

- 7) September 17
In-class exercise: New Recruit negotiation
- 8) September 19
In-class discussion: New Recruit debrief
Reading due for class: Getting to Yes, Chapters 1-6 (Fisher, Ury, & Patton)
Reading due for class: “15 Rules for Negotiating a Job Offer” (Malhotra)

Week 5: Creating and Claiming Value Part III

- 9) September 24
Outside of class: Job Negotiation
Assignment due: Job Negotiation transcripts and brief reflection (submit via Canvas by 11:59 pm on 9.24; failure to submit by the deadline will count as a missed negotiation)
- 10) September 26
In-class discussion: Job Negotiation debrief
Read for class: "How to Negotiate When You're (Literally) Far Apart" (Swaab & Galinsky)

Week 6: Conflict Resolution I

- 11) October 1
In-class exercise: Viking negotiation
Reading due for class: "The Behavior of Successful Negotiators" (Rackham)
- 12) October 3
In-class discussion: Viking debrief
Reading due for class: Getting to Yes, Chapters 6-8 (Fisher, Ury, & Patton)
Reading due for class: "Putting on the Pressure: How to Use Threats at the Bargaining Table" (Galinsky & Liljenquist)
Reading due for class: "How to Defuse Threats at the Bargaining Table" (Liljenquist & Galinsky)

Week 7: Conflict Resolution II

- 13) October 8
In-class activity: Mid-semester feedback
In-class guest speaker: Jerald Barnes (former hostage negotiator)
- 14) October 10
No class: Fall Break

Week 9: Issues of agents, trust, and relationships in negotiations

- 15) October 15
In-class discussion: Mid-semester feedback debrief
In-class exercise: Bullard Houses negotiation
- 16) October 17
In-class discussion: Bullard Houses debrief
In-class assessment: Self-Reported Inappropriate Negotiation Strategies Scale
Reading due for class: "Negotiating with Liars" (Adler)
Reading due for class: "When Should We Use Agents?" (Rubin & Sander)

MODULE II: COMPLEX RELATIONAL AND STRUCTURAL FACTORS IN NEGOTIATIONS

Week 10: Legal issues in negotiation

17) October 22
In-class exercise and debrief: Exit Interview
Assignment due: Learning Journal Part 2: Negotiation Analysis due at 11:59 pm

18) October 24
In-class guest speaker: Leona Barksy (labor and employment lawyer; arbitrator)

Week 11: Social dilemmas, coalitions, and trust

19) October 29
In-class exercise: OPEQ negotiation

20) October 31
In-class discussion: OPEQ debrief
Reading due for class: "Resolving the Prisoner's Dilemma" (Dixit & Nalebuff)
In-class exercise: Three-Way Organization
Reading due for class: "Sources of Power" (Watkins & Rosegrant)

Week 12: Cross-cultural negotiation

21) November 5
In-class discussion: Three-Way Organization debrief
Reading due for class: "Sources of Power" (Watkins & Rosegrant)
In-class exercise: Alpha-Beta negotiation

22) November 7
In-class discussion: Alpha-Beta debrief
Assignment due: GlobeSmart Survey
Reading due for class: "Getting to Si, Ja, Oui, Hai and Da" (Meyer)

Week 13: Inter-organizational negotiations I

23) November 12
In-class exercise: Moms.com negotiation

24) November 14
In-class discussion: Moms.com debrief
In-class activity: Negotiation Award Nominations (bring laptops to class)
Reading due for class: "The Art of Tough Negotiation" (Adler & Rosen)

Week 14: Inter-organizational negotiations II

25) November 19
In-class exercise: Harborco exercise

26) November 21
In-class discussion: Harborco debrief
Reading due for class: "Getting Things Done through Coalitions" (Vanover)

Week 15: Inter-organizational negotiations III

27) November 26

In-class activity: Solving real-world negotiation dilemmas

Reading for class: "Using research to generate advice" (Bowles & Thomason)

28) November 28

No Class: Thanksgiving

Week 15: Wrap Up

29) December 3

In-class activity: Share Extra Credit examples

30) December 5

In-class discussion: Negotiation Awards and Wrap Up

Due: Peer Evaluations of Classmates' Participation due at 11:59 pm

Due: Final paper due at 11:59 pm