

UNIVERSITY OF PENNSYLVANIA
THE WHARTON SCHOOL
NEGOTIATIONS

Fall 2020
Mondays 3-6

Instructor:	Prof. Chelsea Schein
Office Hours:	https://calendly.com/profschein/online-office-hours
Email:	cschein@wharton.upenn.edu
TA	Eduardo Galindo Almendares, egali@wharton.upenn.edu

OVERVIEW

Overview. Negotiation is the art and science of securing agreements and resolving disputes between two or more interdependent parties. People negotiate all the time. We negotiate with salesclerks, co-workers, roommates, partners, landlords, bosses, clients, investors, friends. For some of us, negotiations are a source of great anxiety. Others might already feel confident in their negotiation acumen. Regardless of how you feel coming into this class, the purpose of this course is to arm you with both the expertise and the experience to improve your comfort and proficiency in negotiations.

This is a skill development based course. Like any new skill you are trying to acquire or any old skill you are trying to perfect, you have to practice. Over the course of the semester, you will engage in a series of (increasingly complex) negotiation simulations, which will allow you to work with classmates to discover new insights, experiment with new tactics, hone your skills, and ultimately develop a negotiation style that works for you.

Course Objectives: In this class, you will:

- Gain a broad, intellectual understanding of central concepts and theories in negotiation
- Improve your ability to analyze negotiation contexts and develop strategic plans
- Develop a negotiation toolkit of useful skills, strategies, and approaches
- Develop your level of negotiation experience and build confidence in your negotiation skills.

Course Philosophy. My emphasis in this class is on learning, exploring and developing. You will grow most from this class if you are willing to take risks, experiment with different styles, listen to your classmates, and seriously reflect on your strengths and weaknesses. This class is a remarkable opportunity! Rarely in your career will you have the opportunity to try out different negotiation styles, negotiate with no lasting consequences and receive feedback from peers. If you do the readings, come prepared for each session, immerse yourself in the negotiations, listen to the lectures and your peers, and seriously reflect on your own negotiations, this class can be a source of both personal and professional growth.

READINGS

Main Text:

1. Roger Fisher, William L. Ury, & Bruce Patton. (2011). Getting to yes: Negotiating agreement without giving in. Penguin Books: New York. (Any copy from any year works).

2. Additional readings will be on canvas, or will need to be purchased on Study.net.

Course Websites

1. **Canvas.** The course site on Canvas includes slides for each class (uploaded after class), answers to questions asked by students, links to self-assessments, links to related web sites, and other information. Please visit the course site regularly because it will be updated often.
2. **IDecisionGames.** You will use the platform to receive your role instructions, enter your results, and receive feedback for some upcoming exercises in Negotiations.
 - a. Please make sure to register by clicking on <https://idecisiongames.com/promo-home?code=Negotiations-2020>
 - b. If the above link doesn't work you can also register by going to idecisiongames.com and entering the following access code for your section: **Negotiations-2020**
 - c. You will receive an email requesting that you confirm your email address. Please check your spam folder if you haven't received this email. Please contact support@idecisiongames.com if you have any registration issues.
 - d. Note that you will be required to download and use the Google Chrome browser for all exercises. Also, please memorize the login and password information for subsequent access. You can always click "forgot password" later if you forget it and reset your password.

GRADING

Grades will follow the following breakdown.

Negotiation Planning Documents	25%
Participation (Class & Peer-evaluation)	15%
Learning Journal	15%
Mid-Term Exam (or alternative assignment)	20%
Final Paper	25%

General Notes about Grades:

1. **There is no curve.** A common question is whether the class follows a curve. The class does not adhere to a curve. This means grades are assessed for each person individually against a set standard. Grades are not determined by your performance relative to other students.
2. **The outcome of negotiations is NOT a factor in your grade.** You are encouraged to experiment with alternative styles in this safe environment. This is where you can lose a million dollars and in retrospect be happy because you will learn a lesson you will never forget (no actually money will be gained or lost).

Learning Journal (15%) Learning Journals consist of 2 components: 1 personal goal statement and 1 negotiation analysis. See the guidelines attached to this syllabus for a detailed description of what the journal requires and the dates for the assignments. Complete these assignments by posting them to your personal Learning Journal Folder on Canvas. For additional details, see below.

Mid-Term Exam. When you are in a negotiation, you must have the appropriate strategies at your fingertips. You cannot stop a negotiation in the middle of its flow to go check your notes or a book – you must have access to this knowledge on the fly. The purpose of the exam is to help you get to that

point. The exam will cover the concepts discussed in class and in the readings, with an emphasis on the in-class discussions and lecture material. The exam will ask you to apply the course concepts, which means you need to know not only the definitions of various concepts, but the pros and cons of using various concepts strategically, and when different strategies are appropriate. **Due to the online nature of the midterm, I am still determining the exact nature of the midterm. I reserve the right to shift from a strict timed test to a more creative assignment.**

Participation. Your growth in the class will be stronger if you are willing to share your experience with others. Please speak up. If participation via Zoom is challenging or not feasible, be active on the online message board.

Peer Rated Participation. The other way your participation is reflected in your grade is through peer ratings. Following each negotiation exercise (with the exception of the exercise on the first day of class), your negotiation counterpart(s) will assess your level of preparation and engagement in the exercise. Your negotiation preparation score will be determined by the average of the ratings you received from all your counterparts during the semester.* Your counterparts will not see your individual ratings, and you will not see their individual ratings of you..

**I will assess whether low outlier ratings are unduly influencing your score and adjust accordingly. Also remember there is no curve, so there is little point of trying to be strategic with these ratings. Please just be honest.*

ADDITIONAL INFORMATION

Preferred Names

Please include your full name in Zoom so I can make sure to credit participation accordingly. If you have a preferred name, other than the name listed in Canvas / Instruction Center, please email your preferred name to Professor Schein in addition to changing your name and/or listing your preferred pronouns in Zoom. I'm happy using whatever name you want, but also want to make sure that I credit your participation.

Special Accommodations

If you need accommodation for any reason (disability, time zone, caregiving responsibility, illness) 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

NEGOTIATION EXERCISES

Attendance for all negotiation exercises is essential and mandatory: Given the experimental nature of the course and pedagogy, enrollment is limited, and prepared attendance is mandatory. You are expected to be prepared, attend, and actively participate in every negotiation exercise.

The single most important thing you can do to succeed in this class is to attend and participate fully in each negotiation exercise.

You MUST negotiate with your partner no later than 4pm Monday. If you told your partner you

will negotiate during class and do not show, and do not have some extenuating circumstances, your grade will be impacted. This wastes people's time and degrades the learning experience, so you will be accountable for these costs. The cost is a letter grade (e.g., your final grade in the class would go from an A to an A-).

Additional principles by which I expect you to adhere for the negotiation exercises

1. Maintaining confidentiality of role information is required. 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.

2. 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.

3. You may use any strategy to reach agreement. But, in selecting a negotiation strategy it is important to remember that a strategy may have consequences that go beyond the particular negotiation in which it was used. Keep in mind, reputations developed in class can have long-term consequences. However, please know that violence, threats of violence, prejudicial, and/or derogatory behavior will not be tolerated in any way.

4. Do not discuss the cases with students in other negotiation sections. Other sections of the Negotiations course use the same cases, but at different times throughout the semester. This principle will be upheld as part of the Wharton Honor Code.

5. Completing the deal sheet is required and terminates the negotiation. At the end of the negotiation, you and your counterpart need to complete the 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.

6. All negotiations must be completed within the specified time limit.

7. Deviations from these instructions can result in penalties.

8. Your Data. The outcomes of your negotiations will be recorded, and we will debrief people's performance in class as a way to learn. Other students in the class will see your name and the outcome of your study.

9. Please **SAVE all videos of the negotiations.** These may become invaluable pedagogical tools.

PLANNING DOCUMENTS

As you will quickly learn in this course, proper planning is key to success in negotiation. You are

required to prepare a planning document for every negotiation. At the start of the semester, I will provide questions to guide the planning document. As the semester progresses, you will be on your own to properly consider what questions are relevant in the negotiation. *Download the planning document questions associated with each negotiation from Canvas.*

All planning documents are due on Monday by 10:30am (upload to Canvas)

The document should be uploaded to Canvas > Negotiation: Planning Documents > [Negotiation Name].

Grading: Each planning document will be graded on a 0-3 scale:

3 = Exceptionally thorough, well-reasoned, and creative (top 10 %)

2 = Sufficiently thorough, well-reasoned, and creative

1 = Minimally thorough, well-reasoned, and creative

0 = Submitted late or not submitted at all

POST-NEGOTIATION EVALUATION

Following each negotiation exercise (with the exception of the exercise on the first day of class), you are required to complete a short, online post-negotiation evaluation that will ask you a few questions about your experience in the negotiation and your experience with your negotiating partner. A central purpose of the post-negotiation survey is accountability. You will be asked to evaluate your counterpart's preparation and your counterpart will be asked to evaluate your preparation. Your counterparts will not see your individual ratings, and you will not see their individual ratings of you. Only de-identified aggregate ratings will be released at the end of the semester.

Due dates and turning in: Post negotiation evaluation surveys are all conducted online in IDecision Games. Complete them immediately after the negotiations.

LEARNING JOURNAL GUIDELINE

The learning journal is a confidential, written record of your personal reflections about the knowledge and skills that you are gaining during the course. You will need to write a journal entry reflecting on and analyzing 1 of your negotiations 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 Assignment	Due Date
Personal Goal Statement	September 28 th
Negotiation Analysis: Choose from any before due date	November 16 th

- (1) Personal Goal 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 use concrete examples and details to 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. Personal Goal Statements will be graded using a check system (check-plus, check, check-minus). Grades for assignments will be reduced (e.g., from check-plus to check) for each day late; note that late assignments that would have received a check-minus if submitted on time will also receive a penalty (i.e., from check-minus to check-double-minus)..
- (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. Negotiation analyses will be graded on a 1-5 scale. Note that 5s will be rare; they are reserved for truly top-notch assignments. Grades for assignments will be reduced by 0.25 points for each day late. 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 PAPER GUIDELINE

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 salary from a potential employer, your monthly rent, a hotel room, a

fancy new watch, the location of your next vacation, etc. I only ask that you take it seriously, make it something relevant to your life, and have concrete learning objectives in mind.

NOTE: If you want, you can also negotiate several separate things, although if you choose to do this, you need to link the different experiences together in your paper. For example, you could negotiate several smaller things with different strategies and compare and contrast the results. Or you could negotiate one consumer item and one personal issue and explore the differences. Again, the specifics of what you do are less important than doing something that is of value to you and putting in a reasonable amount of effort.

Here are the rules: .

- *Do not reveal the assignment:* You can't use lame pleas like, "Please just 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.
- *Good faith effort:* It must be possible and you must be willing (at some price or under some conditions) to acquire the item for which you are negotiating. Don't try to buy a Maserati for five bucks or convince you friends to go to Siberia instead of the Seychelles for winter break.
- *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:* Often, we learn as much from negotiations that fail as 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.

Guidelines for Writing the Final Paper:

Facts. Give a basic description of the facts of the negotiation. What interesting or surprising things happened? Give enough information for me to understand your subsequent reflection and analysis, but do not spend more than 1/3 of the paper simply reciting the facts.

Reflection and Analysis. This should be the most significant aspect of your paper. Some issues to address include:

Mistakes. What did you do that you should not have done (i.e. opened too soon; trusted too much, made a concession too quickly) and/or what did you *not* do that you should have done (i.e. asked more questions, closed with more clarity, etc.)?

Insights into your personal style/habits/instincts. What personal insights can you take away from this experience to improve for next time? Use the facts to support your analysis.

Insights into your negotiating counterpart. Analyze your counterpart's behavior in detail. Was your partner skilled? What did he or she do well? How did you size up your counterpart and adjust your strategy? Did it work?

Tools/Concepts/Models/Readings. How, if at all, did this negotiation relate to the negotiation tools, tactics, concepts, readings, research, or conceptual models we have learned about in class?

Grading: 20% of your final grade. Late Final Papers will be penalized by a full letter grade (e.g., B to C) each 24-hour period of lateness. Any final paper not turned in within 3 days of the due date will receive zero credit.

Deliverables and Due Dates

- Length: **4-5** double-spaced pages.
- Format: **12-point** Times New Roman font. Files must be in **Word** (.doc or docx).
- Due date: **Before the start of the last class.**
- How to submit: Upload the paper to Canvas > Assignments > Final Paper.

COURSE SCHEDULE

Week	Topic & Agenda	Readings	Assignments
I. INTRODUCTION TO NEGOTIATION			
Week 1 <ul style="list-style-type: none"> Monday, September 14 	Course overview Introduction to negotiation basic terms & concepts Exercise: First Negotiation & Second Negotiation	None	Personal Growth Statement. <i>due September 28, but really, why procrastinate?!</i>
II. NEGOTIATION STRATEGY			
Week 2 <ul style="list-style-type: none"> September 21: 	Claiming value in a negotiation Anchoring Exercise: BioPharm-Seltek	<i>Required:</i> - The negotiation checklist (Simons & Tripp) - Six habits of merely effective negotiators (Sebenius)	- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i>
Week 3 September 28	Multi-issue negotiations Asking & answering hard questions Exercise: New Recruit	<i>Required:</i> - Getting to Yes, Chapters 1-5 (Fisher, Ury, & Patton) <i>Optional:</i> - 15 rules for negotiating a Job Offer (Malhotra)	- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i>

<p>Week 4</p> <p>October 5</p>	<p>Interest-Based Negotiating</p> <p>Differentiating between interests and positions</p> <p>Exercise: Zephyr</p>	<p><i>Required:</i></p> <ul style="list-style-type: none"> - Investigative negotiation (Malhotra & Bazerman) <p><i>Optional:</i></p> <ul style="list-style-type: none"> - Interests: The measure of negotiation (Lax & Sebenius) 	<p>- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i></p>
<p>Week 5</p> <p>October 12</p>	<p>Negotiating under conditions of uncertainty</p> <p>Motivated reasoning</p> <p>Exercise: Starlet</p>	<p><i>Required:</i></p> <ul style="list-style-type: none"> - Harnessing the science of persuasion (Cialdini) - Betting on the future (Bazerman & Gillespie) 	<p>- - Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i></p>
III. CONFLICT RESOLUTION & RELATIONSHIPS			
<p>Week 6</p> <p>October 19</p>	<p>Disputes and negotiations</p> <p>Naïve realism</p> <p>Exercise: Viking</p>	<p><i>Required:</i></p> <ul style="list-style-type: none"> - Getting to Yes, Chapter 6-8 (Fisher, Ury, & Patton) <p><i>Optional:</i></p> <ul style="list-style-type: none"> - Putting on the pressure: How to use threats at the bargaining table (Galinsky & Liljenquist) - How to defuse threats at the bargaining table (Liljenquist & Galinsky) 	<p>- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i></p>
<p>WEEK 7</p> <p>October 26</p>	<p>Mid-term Exam</p>		
<p>Week 8</p> <ul style="list-style-type: none"> • November 2 	<p>Mediation</p> <p>Fairness</p> <p>Exercise: Telepro</p>	<p><i>Required:</i></p> <ul style="list-style-type: none"> - The secrets of successful mediators (Goldberg) <p><i>Optional:</i></p> <ul style="list-style-type: none"> - Mediator style and mediation effectiveness (Brett, Drieghe, & Shapiro) 	<p>- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i></p>
IV. COOPERATION & COMPETITION			
<p>Week 9</p> <ul style="list-style-type: none"> • November 9 	<p>Agents</p> <p>Exercise: Bullard Houses</p>	<p><i>Required:</i></p> <ul style="list-style-type: none"> - When is it Legal to Lie in Negotiations? (Shell) - Negotiating with liars (Adler) 	<p>- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i></p>
<p>Week 10</p>			

<ul style="list-style-type: none"> November 16 	<p>Trading off issues & CAREER PREP</p> <p>Exercise: Salary Negotiations</p>	<p><i>Required:</i></p> <ul style="list-style-type: none"> - Getting to Yes, Part 4 (pp. 149-194) (Fisher, Ury, & Patton) 	<p>- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i></p>
<p>Week 11</p> <ul style="list-style-type: none"> November 23 	<p>Team negotiation</p> <p>Collective action & defection</p> <p>Exercise: OPEQ</p>	<p><i>Required:</i></p> <p>The right game: Use game theory to shape strategy (Brandenburger & Nalebuff)</p> <p><i>Optional:</i></p> <ul style="list-style-type: none"> - How to manage your negotiating team (Brett, Friedman, & Behfa) 	<p>- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i></p>
V. CULTURE			
<p>Week 12</p> <p>November 30</p>	<p>Cross-culture negotiation I</p> <p>Personality, gender, culture</p> <p>Exercise: Alpha-beta</p>	<p><i>Required:</i></p> <ul style="list-style-type: none"> - Getting to si, ja, oui, hai and da (Meyer) <p><i>Optional:</i></p> <ul style="list-style-type: none"> - Negotiating Globally, Chapter 2 (Brett) 	<p>- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i></p>
<p>Week 13</p> <p>December 7</p>	<p>Cross-culture negotiation II</p> <p>Tying it all together</p> <p>Exercise: Mouse</p>	<p>None</p>	<p>- Pre-negotiation: Planning Document (Canvas) <i>due by 10:30 AM Monday</i></p>
<p>Week 14</p> <ul style="list-style-type: none"> December 10 	<p>Course WRAP-UP & AWARDS</p>		
December XX: FINAL PAPER DUE			