

**UNIVERSITY OF PENNSYLVANIA | THE WHARTON SCHOOL  
THE MBA PROGRAM**

**LGST 8060-406  
Fall 2022  
NEGOTIATIONS**

<b>Class times</b>	Wednesday 3:30-6:30 pm
<b>Location</b>	TBA
<b>Instructor</b>	Nazlı Bhatia, PhD
<b>Office Hours</b>	TBA
<b>Phone</b>	412-877-6785 (cell phone)
<b>E-mail</b>	<a href="mailto:bhatiana@sas.upenn.edu">bhatiana@sas.upenn.edu</a>
<b>TA</b>	TBA

**Course Description**

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 different types of negotiations 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.

## GRADING

There are 100 points to be gained in the class. Below is the grade breakdown:

<b>Preparation</b> .....	<b>35</b>
Comprehensive prep plans (2) .....	20
Short prep plans (6).....	15
<b>Peer Feedback</b> .....	<b>5</b>
<b>Reflection Papers (2)</b> .....	<b>20</b>
<b>Final Project</b> .....	<b>20</b>
<b>Participation</b> .....	<b>15</b>
<b>Negotiation Performance</b> .....	<b>5</b>

*Note: All due dates are on the Course Schedule at the end of this syllabus*

### PREPARATION (35 points)

Preparation is the single most important thing you can do that is entirely within your control to improve your performance in any negotiation. In this class, it is essential that you read and prepare for every negotiation exercise. If you are not adequately prepared, I can guarantee you that you will not perform well in the negotiation. Moreover, lack of preparation destroys the value of the class negotiations not only for you, but also for your negotiating partners.

To ensure you are prepared and to show you how to prepare, there will be two types of preparation assignments:

1. Two comprehensive prep plans that will be graded for content
2. Seven short prep documents that will be graded for completion

Below is the information for each:

#### *Comprehensive prep plans (20 points)*

There are two comprehensive preparation plans, one individual and one team, due throughout the semester (10 points each). We will discuss these assignments in detail in class and the prep plan form that I expect you to use will be posted on Canvas.

#### *Short prep plans (15 points)*

For all remaining negotiations that require preparation in advance, you will submit a short prep plan where you will answer some brief questions. Your answers will be graded for completion.

### PEER FEEDBACK (5 points)

After each negotiation exercise, you will rate your negotiation partner on three dimensions on a 100-point scale:

1. Preparation and commitment to the exercise.
2. Skill in gaining the best economic outcome for own side in the negotiation.
3. Skill in maintaining or strengthening the relationships outlined in the exercise.

- In addition to these quantitative measures, you will provide open-ended feedback on what they did well and what they can improve.

Your negotiation preparation score will be determined by the average of the ratings you received from all your counterparts during the semester.\* You will receive only the aggregate ratings—responses will be de-identified.

*\*I will assess whether low outlier ratings are unduly influencing your score and adjust accordingly.*

### **REFLECTION PAPERS (20 points)**

There are two reflection papers due throughout the semester (10 points each). Reflection papers are an analysis of an in-class simulation. They should be 1,000 words maximum (3% deviance okay). 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. 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 the grading rubric on Canvas.

You can write your first reflection paper on any in-class negotiation conducted up to the due date of this paper. Your second reflection paper can cover any in-class negotiation from the due date of the first reflection paper onwards.

### **FINAL PROJECT (20 points)**

For your final project, you will analyze a real-life negotiation that you have participated in (during or prior to the course). You will reflect on your planning at the time of the negotiation and compare it to how you would have prepared for it after taking the course. Then, you will analyze the process and outcome of the negotiation in light of your class learnings. The negotiation itself can be on any topic, personal or professional.

This analysis should encourage you to engage in thoughtful analysis and understanding of the negotiation. It should incorporate the use of theory and research from the readings, lecture material, and class discussions. The assignment will be submitted as a narrated PowerPoint that is maximum 10 minutes in duration.

### **PARTICIPATION (15 points)**

Participation in class discussions will be evaluated on the quality of your contributions and insights. After each negotiation exercise, a debriefing session will include sharing information about results, strategies attempted and reactions to the process. You should be an active participant in these discussions, provide behavioral feedback to others and be ready to receive it yourself.

I seek to get as many people involved in the discussion as possible, which may include cold-calling. I also understand some people have a substantial aversion to talking in person. If this applies to you, contact me at the beginning of the semester and I will respect your wishes. Please note, in the same way that not participating can hinder the learning environment because your fellow classmates cannot learn from your insights, so too can over participating or excessively dominating class time.

After each class session, everyone gets a numeric evaluation for participation on a 0-3 scale: 3=Present + high quality participation (reserved for top 10%), 2=Present, on time and engaged, 1=Present but late or otherwise disengaged, 0=Absent

In addition, every three weeks, I will ask you to submit a comment you made or a question you asked during class that you thought was insightful. This will allow you to reflect on your contributions to class.

### **NEGOTIATION PERFORMANCE (5 points)**

I will pick two negotiation exercises to evaluate you on your performance. I will not announce beforehand which exercises these will be so you can prepare well and make your best effort in each one of them.

## **ATTENDANCE:**

Attendance in this course is very important. You will be spending considerable time in class doing actual negotiations where you will have a specific role to play with one or more other students. This will be the basis of your learning in this class.

You may miss **one** class session without penalty, under the following condition: **You let me and the class TA know at least 24 hours in advance, i.e. by 3:30PM on Tuesday.** The more notice there is, the more easily I can plan to ensure that the experience of the other students is uninterrupted. If we don't hear from you, we will assume you will be there. If you then fail to show up, you put the whole class at a disadvantage. There will be some negotiations where if you are not present when we expect you to be, five other students will not be able to negotiate. Therefore, missing a class hurts everyone's learning, not just yours, so you will be accountable for these costs. **The cost is a full letter grade (e.g. A becomes B).**

## **READINGS:**

All assigned readings will either be on Study.net (copyrighted readings) or Canvas (non-copyrighted readings). For those of you that are interested in further reading on negotiations, I highly recommend the below books. I am happy to suggest specific chapters based on your interests as well.

- G. Richard Shell, *Bargaining for Advantage* (Penguin, 3<sup>rd</sup> edition 2018)
- Fisher, Ury & Patton, *Getting to Yes*, (Penguin, 3<sup>rd</sup> edition 2011)

And here are three fantastic leisure reads featuring a lot of negotiations.

- Burrough & Helyar, *Barbarians at the Gate*
- Packer, *Our Man: Richard Holbrooke and the End of the American Century*
- Leibovich, *This Town*

## **THE INSTRUCTOR:**

I joined Penn in 2017 as a senior research fellow at the Psychology Department and a lecturer at the Wharton School. At Wharton, I teach negotiations in the undergraduate, MBA and Executive MBA programs. I received my PhD in Organizational Behavior and Theory at the Tepper School of Business at Carnegie Mellon University. Negotiation is my main area of expertise, both as a researcher and a teacher. I feel fortunate to have taught this fascinating topic to a diverse group of students in the United States, Europe and Middle East.

## **SOME FINAL NOTES:**

### **Copyright:**

Copyrighted material cannot be posted online. That means I will have to eliminate slides that contain copyrighted materials from the in-class materials before posting class slides online. I will do this by retaining the title of the slide so you can remember what it was about but leaving the content blank.

### **Office Hours:**

Please sign up for office hours through Canvas Calendar. Instructions on how to do this is on Canvas. You can also email me for an appointment if my office hours don't work for you.

**Late Assignment Policy:**

Class preparation assignments and prep plans are not accepted late. For all other assignments, you can submit them late with a 10% late penalty per day the assignment is late.

**Extra Credit Policy:**

There is no extra credit opportunity in this course.

**Regrade Policy:**

You are welcome to ask for a regrade on any assignment. To do so, you need to make a formal, written regrade request where you explain why you think you deserve a different grade than the one you are assigned. You need to email this request to me, cc the class TA no later than one week following the posting of the grade you request to be re-evaluated. The result of the re-evaluation may be that your grade increases, stays the same or decreases.

**Communication Policy:**

Your first point of contact for any questions should be the class TA. If your question requires my input, you should still cc them in your email. Please allow 48 hours for a response. If there is a true emergency, my mobile number is in this syllabus. I am sure you will use it judiciously.

## COURSE SCHEDULE

**Note:** Subject to change, consult Canvas for the most up to date information on deliverables.

Date	Session	Topic	Agenda	Readings	Assignments (Due Time)
Aug 31	1	Introduction and Negotiation Prep	<ul style="list-style-type: none"> <li>• Course &amp; syllabus overview</li> <li>• Read, negotiate and debrief <i>Negotiation 1</i></li> </ul> Discuss: Three key parameters for effective negotiation prep	Sebenius “Six Habits of Merely Effective Negotiators”	None
Sep 7	2	First Offers and Concessions	<ul style="list-style-type: none"> <li>• Negotiate and debrief <i>Negotiation 2</i></li> </ul> Discuss: Offer strategy	“The Anchoring Heuristic: Anchoring for Maximum Effect” (Canvas)	Short Prep Plan 1 (1:30 pm)
Sep 14	3	Integrative Negotiation 1	<ul style="list-style-type: none"> <li>• Negotiate and debrief <i>Negotiation 3</i></li> </ul> Discuss: Creating value through information exchange	Shell “Impasse: What to Do When Negotiations Break Down” (Canvas)	Short Prep Plan 2 (1:30 pm)
Sep 21	4	Integrative Negotiation 2	<ul style="list-style-type: none"> <li>• Negotiate and debrief <i>Negotiation 4</i></li> </ul> Discuss: Value Creation through Logrolling	Malhotra & Bazerman “Investigative Negotiation”	Comprehensive Prep Plan 1 (3:30 pm)
Sep 28	5	Creating a Scoring Sheet	<ul style="list-style-type: none"> <li>• In-class exercise, no advance prep</li> </ul> Discuss: How to create a scoring system and use it for MESOs	Medvec & Galinsky “Putting More on the Table”	Reflection Paper 1 (11:59 pm)
Oct 5	6	Team Negotiations	<ul style="list-style-type: none"> <li>• Negotiate and debrief <i>Negotiation 5</i></li> </ul> Discuss: How to approach team negotiations	Brett et al. “How to Manage Your Negotiation Team” Optional: “Contingent Contracts”	Comprehensive Prep Plan 2 (3:30 pm)

NO CLASS ON Oct 12 & 19, ENJOY FALL BREAK

Date	Session	Topic	Agenda	Readings	Assignments (Due Time)
Oct 26	7	Agents in Negotiation	<ul style="list-style-type: none"> <li>Negotiate and debrief <i>Negotiation 6</i></li> <li>Discuss: Advantages and disadvantages of using agents in negotiation</li> </ul>	Thompson “Principal-agent Negotiations” (Canvas)	Short Prep Plan 3 (1:30 pm)
Nov 2	8	Disputes	<ul style="list-style-type: none"> <li>Negotiate and debrief <i>Negotiation 7</i></li> <li>Discuss: Three approaches to resolving disputes</li> </ul>	Wood Brooks “Emotions and the Art of Negotiation”	Short Prep Plan 4 (1:30 pm)
Nov 9	9	Culture (session will be online)	<ul style="list-style-type: none"> <li>Negotiate and debrief <i>Negotiation 8</i></li> <li>Discuss: Culture and negotiation</li> </ul>	Meyer “Getting to Si, Ja, Oiu, Hai, and Da”	Short Prep Plan 5 (1:30 pm)
Nov 16	10	Job Negotiations	<ul style="list-style-type: none"> <li>Negotiate and debrief <i>Negotiation 9</i></li> <li>Discuss: How to excel in job negotiations</li> </ul>	Malhotra “15 Rules of Job Negotiations”	Short Prep Plan 6 (1:30 pm) Reflection Paper 2 (11:59 pm)
Nov 30	11	Intraorganizational Negotiation 1	<ul style="list-style-type: none"> <li>Negotiate and debrief <i>Negotiation 10</i></li> <li>Discuss: Coalitions in negotiation</li> </ul>	Kolb & Williams “Breakthrough Bargaining”	Short Prep Plan 7 (1:30 pm);
Dec 7	12	Intraorganizational Negotiation 2 & Wrap-up	<ul style="list-style-type: none"> <li>Discuss intraorganizational negotiation</li> <li>Class awards and wrap-up</li> </ul>	None	Final Project (11:59 pm)