

**NEGOTIATIONS**  
**FULL-SEMESTER COURSE**  
MBA ELECTIVE, FALL 2022

---

Instructor	Dr. Stéphane P. Francioli
E-mail	sfrancio@wharton.upenn.edu
Office	Steinberg Hall-Dietrich Hall 3109
Office Hours	By appointment
Class Location	TBD

---



**COURSE SECTIONS, MEETING TIMES, AND TAs**

MBA Section 1 (MGMT-6910-412): M/W 1:45-3:15pm, TA: TBD

MBA Section 2 (MGMT-6910-413): M/W, 3:30pm-5:00pm, TA: TBD

**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**

The objective of this class is threefold. To become a more:

- (1) **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) **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) **Reflective negotiator.** Adopt the habit of continually evaluating your negotiation strengths and challenges, and growing in your knowledge and effectiveness.

## COURSE PHILOSOPHY

This course emphasizes 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 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.

## HONOR CODE *[read carefully]*

- (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 Canvas, in the Study.net tab. If you have issues accessing the coursepack, contact the Study.Net customer service team at customerservice@study.net
- (2) **Getting to Yes: Negotiating Agreement Without Giving In**, Roger Fisher, William Ury, & Bruce Patton
- (3) **Barbaining for Advantage: Negotiation Strategies for Reasonable People**, Richard Shell

## ASSIGNMENTS & GRADING

The grading and deliverables are centered around maximizing your learning and that of your classmates. All written assignments will be graded on a 1-6 scale, where 6=outstanding, 5=excellent, 4=good, 3=satisfactory, 2=unsatisfactory, and 1=poor. Note that 6s will be particularly rare; they are reserved for truly top-notch assignments. Grades for assignments submitted late will be reduced by 0.5 points for each day late.

<b>Attendance, Participation, &amp; Negotiations</b>	<b>40%</b>
Class Attendance* and Participation	30%
Peer Evaluations	10%
<b>The Coach-Your-Past-Self Assignment</b>	<b>40%</b>
Summary of Negotiation	10%
Insights Notes	18%
Introspection Essay	12%
<b>Group Presentation</b>	<b>20%</b>

\* Carefully read the Negotiation Day Absence Policy

### (1) Class Participation and Attendance (30%)

#### 1.a. Overview

Given the experiential nature of the course and pedagogy, enrollment is limited, and prepared and on-time attendance is 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)
- sharing quality comments (see Participation section below)
- complete all the pre- and post-negotiation surveys.

Moreover, there is a **strict attendance requirement for negotiation days**. Please read this policy carefully in the Negotiation Days section below.

**1.b. Negotiation Days [Read carefully]**

Negotiation Days are mentioned in the calendar below (see “simulations” page 9-10). You may miss one negotiation exercise without penalty if you provide me with 24h advance notice and, if I request, 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.

**1.c. Debrief Days**

An in-class debrief discussion follows each negotiation exercise. It is usually held during the next class. These debriefing discussions include sharing reactions, analyzing negotiation outcomes, and discussing the merit of different strategies, based on your experience and a large body of relevant academic work.

These debrief discussions are a unique opportunity: In real life, you will almost never have the chance 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. No matter how well or how badly you think you did during a negotiation, you will not know until you actually engage in this class-wide discussion. Hence, your participation to these debriefs is instrumental your learning experience. It is also crucial to that of your classmates: their learning is dependent on hearing details about what you did and how you thought about approaching things during your negotiation.

Your attendance and active participation is thus factored into your grade for each class. Being late to class, or using technology during class (e.g., phones, laptops), will negatively impact your participation grade. Conversely, 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.

**1.d. Virtual Negotiation Assignment, October 10<sup>th</sup>**

Although negotiations are typically held in class, this course also includes one virtual negotiation called The Job Negotiation. The debrief for this negotiation exercise will take place on October 10<sup>th</sup>. You will conduct this negotiation by email, before class. This negotiation requires multiple back and forth emails between several parties. I encourage you to start negotiating several days ahead of class.

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 (i.e., minimum of three sentences, max one paragraph) at the top of the transcript document. In your reflection, you might share, for example, your immediate reactions, thoughts about what went well, or thoughts about what you wish you had done differently.

Each person must upload their own transcripts and reflection—even if your counterpart has uploaded their transcripts and reflection, you must still upload your own. Your transcripts and reflection will be due on Sunday, October 9<sup>th</sup> at 11:59pm, but you will have the opportunity carry out the negotiation and upload the assignment starting after class on Wednesday, October 5<sup>th</sup>. Failure to upload your transcripts and reflection by the deadline (October 9<sup>th</sup> at 11:59pm) will result in a missed negotiation and grade penalty as specified in the negotiation attendance policy above.

## **(2) Peer Evaluations (10%)**

After each negotiation exercise, you will rate your counterparts via a survey. The evaluation has three components: (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. Failure to complete the peer evaluation can negatively impact your participation grade for the course.

## **(3) The Coach-Your-Past-Self Assignment (40%)**

For the Coach-Your-Past-Self assignment, I would like you to reflect on a negotiation that you conducted in the past and think of ways you could have improved your performance, using both the material we cover in class and your experience practicing negotiation throughout the course. This assignment has three components: (1) an essay summarizing a prior, real-life negotiation that you think you could have handled better with more negotiation acumen (see *Summary of Negotiation*, below); (2) three brief notes in which you apply a concept covered in class that would have helped you achieve a better outcome in the situation you summarized (i.e., see *Three Insights from Class*, below); (3) a short introspective essay in which you reflect on a more intrapersonal barrier that prevented you from achieving a better outcome (see *Introspection Essay*, below).

This assignment is intended as a semester long reflection to help you identify ways in which the material might be practically beneficial in your life. Start thinking about your negotiation example early on in the course; and after each class, take some time to reflect on how the insights we discussed might have helped you improve your outcome back then. This will help maximize the learning experience from this assignment.

***Summary of the Negotiation*** [300-500 words, due September 11<sup>th</sup>]. Think of an important negotiation you conducted in the past and that you feel you could have handled better with more negotiation acumen. You can choose a negotiation from either your personal or professional life, as long as it's a real-world example (i.e., not a class simulation) and you were a key actor in the negotiation process. Feel free to take a recent example or go back five or 10 years in the past. The key is to choose an event from your life that is relevant to you and that lends itself well to illustrating and applying some of the core concepts from this class. Potentially pertinent professional examples include negotiating a job offer, closing a contract with an important client, settling a dispute with a customer, or mediating a conflict between two employees. Potentially pertinent personal life examples include purchasing a house, bargaining with suppliers to organize a cost-efficient wedding, facilitating a consensus among divided family members in planning a holiday trip, or trying to agree on a fair division of childcare and domestic labor between you and your partner during a COVID19 lockdown. In choosing your example, make sure that you:

- Choose a negotiation that involves a degree of complexity (e.g., several negotiation components, unique power imbalances, exceptional situational features, or challenging interpersonal dynamics) and relates to multiple topics we covered—or will cover—in class (e.g., distributive and integrative bargaining, first offers, mediations and dispute resolutions, bargaining styles, etc.).
- Do not choose a negotiation where you did extremely well. The purpose of this assignment is to reflect on how you could have used some of the tools, skills, and knowledge acquired in this course to do better. If you already did great, this might limit your ability to show how the course material would have helped you reach a better outcome. Conversely, do not choose a situation in which you had an opportunity to negotiate but didn't even try. This would likely limit the amount of information you have to predict how different negotiation tactics might have unfolded with your counterpart. Instead, you might want to choose a negotiation that you feel you handled poorly or just okay-ish. It's totally fine if the outcome in your example was an impasse (i.e., you or your counterpart walked out before reaching a deal); you might be able to identify course concepts that would have helped you reach a deal.

Once you have your example in mind, provide a summary of the situation, the parties involved, the issues at stake, the challenges, the interpersonal dynamics, the negotiation process, and the outcome(s). Do not analyze the negotiation in this summary. Try your best to describe the event and your experience as they unfolded, with the knowledge and perspective you had at the time. A stellar summary will be clear and concise but also honest and engaging. It should read like a short essay and be around 300-500 words. The deadline for this part of the assignment is September 11<sup>th</sup>.

***Three Insights from Class.*** [3 x 150-200 words, due 09/25, 10/09, and 11/13]. Think of three concepts or learning points we covered in class that would have helped you better handle the negotiation you discussed in the "Summary of Negotiation." You should describe how each concept applies to this specific negotiation and why you think using these insights would have improved your outcome. As you think about the course concept you want to discuss in each note:

- Make sure that your insights focus on concrete negotiation concepts (e.g., first offer, winners' curse, bargaining zone, bargaining style, distributive outcomes). Don't talk about how you should have trusted yourself more or overcome your fear of rejection. Save it for the last part of the assignment.
- Be specific and applied. For instance, if you choose to talk about the importance of preparing a negotiation ahead of time, don't just summarize the elements of a good negotiation prep; provide concrete steps you could have taken at the time to improve your outcome in this specific negotiation, and explain why you think that, of all class concepts, this one would have been particularly beneficial in this instance. One way to think about this part of the assignment is: If you could talk to yourself from back then and share three insights, what would they be, and why.

Each insight should be discussed in a separate note of ~150 to ~200 words (i.e., total of three notes). Do not waste your word count summarizing the situation again (we can refer back to your Summary of Negotiation for that). A stellar note will be clear and concise, make strategic use of a course's concept, and anchor it within the specifics of the situation you described. You should post each note on Canvas before the following deadlines:

- Insight Note 1: September 25<sup>th</sup>
- Insight Note 2: October 9<sup>th</sup>
- Insight Note 3: November 13<sup>th</sup>

**Introspection Essay.** [250-300 words, due November 16<sup>th</sup>]. Beyond the negotiation concepts covered in class, this course is also an opportunity to reflect on more intrapersonal barriers that may prevent you from achieving your full potential as a negotiator. For instance, you might realize that you tend to accept deals that you know are suboptimal because you have a hard time saying no; or you are not pushing enough on an issue because you are afraid of confrontations; or conversely, you often miss out on integrative opportunities because you tend to operate under the assumption that negotiation ought to be confrontational.

Please think about one key psychological barrier, personality trait, or deeply ingrained assumption that is holding you back in your negotiations. Describe this intrapersonal barrier, how it affected your thinking and behaviors in the negotiation you described in the “Summary of Negotiation,” and how it shaped its outcome. Finally, describe tactics you have learned from participating in the negotiation cases in class that might set you up to improve on this personal barrier in the future. Beyond clarity and concision, the quality of introspection and depth of analysis are crucial to writing a stellar introspection essay. Aim for 250-300 words. When you submit this last part of the assignment, please also include your Summary of Negotiation and your three Insight Notes in the document. The deadline for this part of the assignment is November 16<sup>th</sup>.

#### **(4) Group Presentation (30%)**

You will work in teams of 4 students to analyze a real-world negotiation and present it in class at the end of the semester. Working with your team, you will choose a negotiation context that actually happened (or is currently happening) in the world. You will then apply the course material to analyze your chosen negotiation, and prepare a PowerPoint presentation about it to be presented in class. In preparing your analysis and presentation, you should address the following areas:

- *Background:* Describe the background and context in which the negotiation took / is taking place. Who are the people/organizations involved? How do they know each other? What issues are being discussed and why? You do not need to provide excessive detail about the situation. Rather, you should spend most of the presentation analyzing the negotiation by applying course material.
- *Initial assessment:* Entering the negotiation, what were the parties’ interests, BATNAs, reservation points, etc.? Why?
- *Negotiation process:* Provide a brief overview of key events in the negotiation. For example, who made the opening offer, and how did counter-offers proceed? How was information exchanged? Were there pivotal turning points?
- *Outcome Analysis:* What insights can you derive about how different factors, such as each parties’ actions and choices, influenced the outcome (or could influence the outcome if the negotiation is ongoing) and why? Draw upon key concepts to explain.
- *Recommendations:* If you were contracted to help resolve this situation, what strategy would you take? What potential solutions might you offer to the parties? What would you recommend each party to do differently, if anything?
- *Course concepts:* Apply course material throughout the presentation to analyze the real-world negotiation. Which themes from the course seemed relevant to this particular negotiation and which did not? What could course topics tell you about understanding this situation and improving its chance of succeeding?
- *Clarity:* Your presentation should be clear, well-organized, thoughtful, easy to follow.

***Group Presentation Deadlines***

- September 18<sup>th</sup> – Submit list of group members: If you would like to select your own group, you must list the group members by 11:59pm on the following google sheet (LINK). Anyone who does not pre-select their own group will be assigned to a group.
- October 2<sup>nd</sup> – Submit project topic: One person from each group must submit your group members names on the following google sheet (LINK), presentation date preference, and a 1 paragraph summary of the negotiation you have chosen to analyze.
- December 5<sup>th</sup> and 7<sup>th</sup> – Deliver the presentation: Each team will have ~12 minutes to present.

**(5) Extra Credit**

You can earn up to two extra credit points in the course by submitting (in the extra credit assignment folder on Canvas) articles on negotiations in the popular press or examples of interesting negotiations from movies, television shows, comic strips, etc. In order to receive two bonus points, the references need to come from different mediums. If one is from a movie, the other should come from a different type of medium, such as a comic strip or newspaper article. The references 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.

**NOTE ON LTs**

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.

## MODULE I NEGOTIATION CORE PRINCIPLES

WEEK	DATE	DAY	CLASS	TOPIC	CASE STUDY	STRUCTURE	READINGS BEFORE CLASS	DELIVERABLES
Week 1	8/29	M	Class 1	<b>Introduction</b>	Biopharm	Intro + Negotiation		
	8/31	W	Class 2	<b>Claiming Value</b>	Biopharm	Debrief + Admin	“Bargaining for Advantage” Chapter 7 “The negotiation checklist” (Simons & Tripp)	
Week 2	9/5	M	No class					
	9/7	W	Class 3	<b>Congruence</b>	Kuikui	Negotiation + Debrief	“Bargaining for Advantage” Chapter 8	Submit "Summary of Negotiation" by <b>Sunday (September 11th), 11:59pm</b>
Week 3	9/12	M	Class 4	<b>Creating Value I</b>	Textoil	Negotiation		
	9/14	W	Class 5	<b>Creating Value I</b>	Textoil	Debrief	“Getting to Yes,” Chapters 1-5 (Fisher, Ury, & Patton)	Submit group members for group presentations by <b>Sunday (September 18th), 11:59pm</b>
Week 4	9/19	M	Class 6	<b>Creating Value II</b>	New Recruit	Negotiation		
	9/21	W	Class 7	<b>Creating Value II</b>	New Recruit	Debrief	“15 Rules for Negotiating a Job Offer” (Malhotra) “Bargaining for Advantage” Chapter 9	Submit "Insight Note 1" by <b>Sunday (September 25th), 11:59pm</b>
Week 5	9/26	M	Class 8	<b>Dispute Resolution</b>	Viking	Negotiation	“Getting to Yes” Chapter 6-8 (Fisher, Ury, & Patton) “Bargaining for Advantage” Chapter 6	
	9/28	W	Class 9	<b>Dispute Resolution</b>	Viking	Debrief	“Putting on the pressure: How to use threats at the bargaining table” (Galinsky & Liljenquist) “How to Defuse Threats at the Bargaining Table” (Liljenquist & Galinsky)	Submit project topic for group presentations by <b>Sunday (October 2nd), 11:59pm</b>
Week 6	10/3	M	Class 10	<b>Relationship Building &amp; Trust</b>	Bullard	Negotiation	“How to negotiate when you're (literally) far apart” (Swaab & Galinsky)	
	10/5	W	Class 11	<b>Relationship Building &amp; Trust</b>	Bullard	Debrief	“Negotiating with liars” (Adler) “Bargaining for Advantage” Chapter 11	Submit "Insight Note 2" by Sunday (October 9th), 11:59pm
Week 7	10/10	M	Class 12	<b>Wrapping up Module I</b>	Job Negotiation	Debrief + Wrap up	“The behavior of successful negotiators” (Rackham)	Complete "Bargaining Styles Self- Assessment" by <b>Monday (October 10th), 11:59pm</b>
	10/12	W	No class					
Week 8	10/17	M	No class					
	10/19	W	No class					

## MODULE II COMPLEX RELATIONAL & STRUCTURAL FACTORS IN NEGOTIATIONS

WEEK	DATE	DAY	CLASS	TOPIC	CASE STUDY	STRUCTURE	READINGS BEFORE CLASS	DELIVERABLES
Week 9	10/24	M	Class 13	<b>Bargaining Styles</b>		Lecture + Discussion	“Bargaining for Advantage” Chapter 1	
	10/26	W	Class 14	<b>Identities in Negotiation I</b>	RetailSoft	Negotiation + Debrief	“Using research to generate advice” (Bowles & Thomason)	
Week 10	10/31	M	Class 15	<b>Identities in Negotiation II</b>	Alpha-beta	Negotiation		
	11/2	W	Class 16	<b>Identities in Negotiation II</b>	Alpha-beta	Debrief	“Getting to Si, Ja, Oui, Hai and Da” (Meyer)	
Week 11	11/7	M	Class 17	<b>Social Dilemmas</b>	OPEQ	Negotiation		
	11/9	W	Class 18	<b>Social Dilemmas</b>	OPEQ	Debrief	“Resolving the prisoner’s dilemma” (Dixit & Nalebuff)	Submit "Insight Note 3" by <b>Sunday (November 13th), 11:59pm</b>
Week 12	11/14	M	Class 19	<b>Multi-party Negotiations</b>	Three-way Org.	Negotiation		
	11/16	W	Class 20	<b>Multi-party Negotiations</b>	Three-way Org.	Debrief	“Sources of power” (Watkins & Rosegrant)	Submit "Introspection Essay" by <b>Wednesday (November 16th), 11:59pm</b>
Week 13	11/21	M	No class					
	11/23	W	No class					
Week 14	11/28	M	Class 21	<b>Inter-organizational Nego.</b>	Moms.com	Negotiation		
	11/30	W	Class 22	<b>Inter-organizational Nego.</b>	Moms.com	Debrief + Wrap up	“The art of tough negotiation” (Adler & Rosen)	
Week 15	12/5	M	Class 23	<b>Real World Negotiations</b>		Group Presentations		Present Group Presentations
	12/7	W	Class 24	<b>Real World Negotiations</b>		Group Presentations		Present Group Presentations