

UNIVERSITY OF PENNSYLVANIA
THE WHARTON SCHOOL
NEGOTIATIONS

Fall 2023

Mondays 3:30-6:30

Instructor:	Prof. Chelsea Schein
Office Hours:	Via Zoom: https://calendly.com/profschein/online-office-hours
Email:	cschein@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 link in CANVAS
 - b. 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.
 - c. Use you university email
 - d. Note that you may 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	15%
Participation (Class & Peer-evaluation)	15%
Personal Goals Paper	5%
Mid-Term Exam	35%
Final Paper	30%

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).

Personal Goals Paper 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.

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. 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. While we will not have time to discuss all the readings in class, they are fair game for the midterm, as your negotiations will greatly improve when you can understand and apply the main substantive points of each chapter/article.

Participation. Your growth in the class will be stronger if you are willing to share your experience with others. I seek to get as many people involved in the discussion as possible. This may involve cold calling and generally encouraging participation. I do, however, recognize that some people have a substantial aversion to talking in groups. If this applies to you, please contact me at the start of the term, and I will respect your preferences. Poor attendance, or coming late unexcused will negatively impact your participation score.

Grading will be based on my weekly observations of your effort and engagement during in-class exercises and the quality of your in-class comments. If you rarely contribute to discussions, it is impossible to evaluate the quality of your thinking and your classmates cannot learn from your insights. At the same time, over participating or excessively dominating the conversation can hinder the learning environment. Typically, quality comments: 1) are relevant to the topic; 2) clearly articulate a personal experience or observation; 3) move the conversation forward in some way by adding new information, insights, or viewpoints; and 4) engage other students by sparking peer responses.

Peer Rated Participation. Your participation grade may be impacted through peer ratings. Following most negotiation exercises, 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 on your name tent in person 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. 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, caregiving responsibility, illness, red pass) 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 make arrangements with your partner if you cannot attend class live. 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.

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.

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 most negotiations.

Download the planning document questions associated with each negotiation from Canvas.

All planning documents are due on MONDAY by 3:30pm (upload to Canvas)

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

Grading: Each planning document will be graded on a 1-4 scale:

4 = Exceptionally thorough, responses are accurate and/or well-reasoned. They incorporate course content (from readings/lectures) in a way that demonstrates understanding and application of the course materials.

3 = Sufficiently thorough, responses are accurate and/or well-reasoned for the most part. They draw on course content but the application is too general, not fully accurate, or unclear.

2 = Some effort, but responses are excessively vague/general, highly inaccurate, and/or some problems with the reasoning. Incorporation of course content is limited or non-existent.

1 = Submitted the document with little or no effort

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.

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 your 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: 30% of your final grade.

Deliverables

- 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 September 11	Course overview Introduction to negotiation basic terms & concepts Exercise: First Negotiation & Second Negotiation	None	Personal Growth Statement. <i>due</i> <i>October 1, but really, why procrastinate?!</i>
II. NEGOTIATION STRATEGY			
Week 2 September 18	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)
Week 3 September 25 ASYNCHRONOUS NEGOTIATION AND DEBRIEF	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)
Week 4 October 2	Interest-Based Negotiating Differentiating between interests and positions	<i>Required:</i> - Investigative negotiation (Malhotra & Bazerman) <i>Optional:</i>	- Pre-negotiation: Planning Document (Canvas)

	Exercise: Zephyr	- Interests: The measure of negotiation (Lax & Sebenius)	
Week 5 October 9	Negotiating under conditions of uncertainty Motivated reasoning Exercise: Starlet	<i>Required:</i> - Harnessing the science of persuasion (Cialdini) - Betting on the future (Bazerman & Gillespie)	- - Pre-negotiation: Planning Document (Canvas)
III. CONFLICT RESOLUTION & RELATIONSHIPS			
Week 6 October 16	Disputes and negotiations Naïve realism Exercise: DISPUTE Negotiation (Viking or Roommate)	<i>Required:</i> - Getting to Yes, Chapter 6-8 (Fisher, Ury, & Patton) <i>Optional:</i> - Putting on the pressure: How to use threats at the bargaining table (Galinsky & Liljenquist) - How to defuse threats at the bargaining table (Liljenquist & Galinsky)	- Pre-negotiation: Planning Document (Canvas)
WEEK 7 October 23	Mid-term Exam		
Week 8 October 30	Mediation Fairness Exercise: In Class Mediation	<i>Required:</i> - The secrets of successful mediators (Goldberg) <i>Optional:</i> - Mediator style and mediation effectiveness (Brett, Drieghe, & Shapiro)	- No Planning Doc
IV. COOPERATION & COMPETITION			
Week 9 November 6	Agents Exercise: Bullard Houses	<i>Required:</i> - When is it Legal to Lie in Negotiations? (Shell) - Negotiating with liars (Adler)	- Pre-negotiation: Planning Document (Canvas)
Week 10 November 13	Trading off issues & CAREER PREP Exercise: Salary Negotiations	<i>Required:</i> - Getting to Yes, Part 4 (pp. 149-194) (Fisher, Ury, & Patton)	- Pre-negotiation: Planning Document (Canvas)
Week 11		<i>Required:</i>	NO PLANNING DOC

November 20	Team negotiation Collective action & defection Exercise: OPEQ	The right game: Use game theory to shape strategy (Brandenburger & Nalebuff) <i>Optional:</i> - How to manage your negotiating team (Brett, Friedman, & Behfa)	
V. CULTURE			
Week 12 November 27	Cross-culture negotiation I Personality, gender, culture Exercise: Alpha-beta	<i>Required:</i> - Getting to si, ja, oui, hai and da (Meyer) <i>Optional:</i> - Negotiating Globally, Chapter 2 (Brett)	No Planning Doc
Week 13 December 4	Cross-culture negotiation II Tying it all together Exercise: Mouse	None	OPTIONAL Planning Doc
Week 14 December 11	Course WRAP-UP		
Last Class: FINAL PAPER DUE			