

UNIVERSITY OF PENNSYLVANIA | THE WHARTON SCHOOL
DEPARTMENT OF LEGAL STUDIES & BUSINESS ETHICS

LGST 206-407, MGMT 291-407, OIDD 291-407 Syllabus
Fall 2019

NEGOTIATION & CONFLICT RESOLUTION

Class times:	Wednesday 3-6 pm; JMHH F65
Office Hours:	Wednesday 1:15 to 2:30 pm and by appointment
	Location: Solomon Labs, C21
Instructor:	Nazli Bhatia, PhD
Phone:	412-877-6785 (cell phone)
E-mail:	bhatiana@upenn.edu
TA	Amnah Ameen (amnah@sas.upenn.edu)

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.

READINGS:

1. G. Richard Shell, *Bargaining for Advantage* (Penguin, 3rd edition 2018);
2. Additional (required and recommended) readings on Canvas.

A NOTE ON 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. 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. If you need to miss a class, *please let the class TA and me know at least 24 hours in advance*, i.e. by 3:00PM on Tuesday. The more notice there is, the more easily I can plan to ensure that the experience of the other students is uninterrupted.

As for your grade, you can miss two course sessions with no penalty but you have to let me know according to the guidelines above. You will lose a letter grade from your final grade in the class (e.g. A becomes A-) for *each* of the below:

- 1. More than 2 absences**
- 2. Failing to let me know that you will miss class at least 24 hours in advance** (with the exception of unforeseeable situations such as verified illness, accident or death in the family).

GRADING:

There are 100 points to be gained in the class. Students with the most number of points receive the best grades.

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

1. Engagement (31 points)

This is a class where you learn by doing, which also means, in order to get the most out of the course, you need to be actively engaged with it. There are several components to engagement. Please see below:

- a) Preparation (16 points):** Preparation is the single most important thing you can do to improve your performance in any negotiation. In 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 in-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. 6 short prep documents that will be graded for completion. Below is the information for each:

Comprehensive prep plans (10 points): There are two preparation plans due throughout the semester (5 points each). We will discuss this assignment in detail in class and the prep plan form that I expect you to use will be posted on Canvas.

Short prep plans (6 points): For all remaining negotiations that require preparation in advance, you will submit a short prep plan where you will answer four brief questions. Your answers will be graded for completion.

- b) **Reading assignments (5 points):** We will rarely find time in class to talk about the readings at length. To keep you up to date with your readings, you will have 10 very short reading assignments throughout the semester. These assignments, to be completed on Canvas, will usually ask you to report your biggest take-away from that week's reading and will have the additional benefit of preparing you for the quizzes.
- c) **Class Participation (10 points):** Each simulation will be debriefed with the class. Debriefing includes sharing information about results, negotiating strategies, and sharing reactions to the process. Most students will have difficulty applying one or more of the negotiating concepts. We learn from our mistakes and the mistakes of others. This class is a good opportunity to experiment with new ways of negotiating and to make mistakes in a low-risk environment. Please be prepared to receive behavioral feedback, and to be sensitive in giving it to others.

Participation is a very important part of this learning process. You will be evaluated on the contributions and insights that you voice in class. Please remember that quality is the essential characteristic of your contributions, not quantity. However, if you rarely contribute, it is impossible to evaluate the quality of your thinking. *You are expected to participate not just in the debrief portion of the class but also during the lecture.*

Quality comments possess one or more of the following properties:

- **Relevance:** The comment is related to the current discussion and/or ideas in the course readings or prior discussions.
- **Logic:** You explain the reasoning behind your comment using clear evidence and coherent arguments.
- **Integration:** Your comment moves the discussion forward by building on previous contributions with new insights.
- **Individuality:** Your comment contributes new perspective to the discussion, not just repeats what others have already said.

I seek to get as many people involved in the discussion as possible. With this in mind, 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.

2. **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 1000 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.

The reflection papers are due before class on Week 8 and Week 12. You can write your first reflection paper on any in-class negotiation conducted up to Week 8. Your second reflection paper can cover any in-class negotiation from Week 8 until Week 12.

3. **In-class quizzes** (24 points): There will be two in-class quizzes worth 11 and 13 points each, given in Classes 5 and 14. The quizzes will contain multiple choice and short-answer questions based on readings, lectures and class discussions, and last roughly 60 minutes. While we will not have time to discuss all the readings in class, you are expected to do them and answer questions on them on the quizzes. In addition, this conceptual knowledge should contribute significantly to your success as a negotiator and strategist.
4. **Final Paper: Real World Negotiation** (20 points) Sometime during the semester, you will plan and execute a negotiation outside of class for something and report your plan, what occurred during the negotiation, negotiation results, and an analysis of the process and outcome. You can negotiate for anything you like—a good or service, salary, resolve a conflict, whatever. The paper is not due until the end of the semester, so you should have plenty of time to find an interesting negotiating opportunity.

The following **rules** apply for the real-world negotiation:

- You must negotiate for something nontrivial (i.e., you should care how the negotiation turns out).
- The negotiation counterpart(s) may **not** be another student in this class or the instructor.
- The negotiation counterpart(s) must **not** be aware either before or during the negotiation that it will be used to satisfy course requirements (however, you may share your paper with them afterwards if you wish).
- You must articulate (privately, in writing) a plan. This requires creating a planning document.

You must write a **final paper** about the negotiation. **The paper should be no more than 1800 words of text (3% deviance okay). You are required to submit a planning document with your paper, but the planning document does not count toward the 1800-word limit.**

Writing the paper 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. As in your reflection papers, your final paper should describe your reactions, perceptions, impressions, and significant insights gained from participation in and contemplation on the negotiation. You should address many of the same questions that you do in a reflection paper.

Although there are many creative formats for papers, a good paper usually includes the following elements: an introduction; a statement of the goal and the planning and preparation that took

place; an objective description of the actual events that occurred; an analysis of those events; a discussion of what could or should have been done differently, and why; integration of readings, theory, and concepts as appropriate; a statement of "lessons learned" for the future; a summary self-evaluation of your own negotiation style, strengths, and weaknesses. All of these guidelines are just that -- guidelines. Outstanding papers have been written in the past that do not closely conform to this format.

- 5. Peer Feedback (5 points):** Starting Week 2, 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.

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.*

Video Analysis (optional): Due to class size, I am rarely able to observe your actual negotiations and give you feedback, which is something I wish I could provide and I know you want. The video analysis is designed to remedy this, as much as possible. For this analysis, you will send me a 4-minute (maximum) clip of a negotiation of your choosing along with a 500 word (maximum) analysis of it. The analysis can be in bullet points. I will provide you feedback on the clip. This is basically a chance for you to get some specific feedback from me.

THE INSTRUCTOR:

I joined Penn in July 2017 as a senior research fellow at the Psychology Department and a lecturer at the Wharton School. I received my PhD in Organizational Behavior and Theory at the Tepper School of Business at Carnegie Mellon University in 2014. As a graduate student, my main research and teaching interest was negotiation, as it continues to be to this day. I feel fortunate to have taught this fascinating topic to a diverse group of students, i.e. undergraduates, MBAs and executives, in the United States, Europe and Middle East.

SOME FINAL NOTES:

LAPTOP USE

You will need a smart phone, tablet or laptop to access the online platform we will be using for the in-class simulations. *Technology use in class is limited only to this purpose.* I used to allow laptop use in class as I know some students utilize it for note-taking. However, I realized over time that many students are on their laptops at times when there is no need to be using them, which is highly distracting to me and detrimental to learning. Therefore, I now adopt the

normative standard in negotiation teaching at Wharton and banning laptop use in class except for accessing the in-class simulations.

COPYRIGHT:

Some of the cases we will use in this class require a copyright fee per use. You will be charged separately by Wharton Publications for a handout charge for these cases. This charge will appear on their bursar bills towards the end of the semester. In addition, 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:

I have a lot of students any given semester, which sometimes leads to queues at my office hours. To prevent that, I ask you to 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 to meet.

I-DECISION GAMES:

I use the website I-Decision Games to distribute negotiation role materials and to enter outcomes in class. Instructions will be given in class and also posted on Canvas.

COURSE SCHEDULE AND DELIVERABLES				
<i>Note: Unless indicated otherwise, all assignments are due at 10 am on day of class</i>				
I. INTRODUCTION				
Class	Topic	Agenda	Readings Due	Assignments Due
Class 1 Aug 28	Introduction to Negotiation & Negotiation Prep	<ul style="list-style-type: none"> Lecture: Welcome and course overview Discuss syllabus Read, negotiate and review <i>Negotiation 1</i> 	None	<ul style="list-style-type: none"> Complete self-evaluation and course goals
Class 2 Sep 4	Anchoring, First Offers and Outcomes	<ul style="list-style-type: none"> Negotiate and review <i>Negotiation 2</i> Lecture: First Offers, Anchoring, Evaluating Outcomes 	<ul style="list-style-type: none"> <i>Bargaining for Advantage</i>, ch. 2 & 9 	<ul style="list-style-type: none"> Short prep plan 1 Reading assignment 1
II. CREATING AND CLAIMING VALUE				
Negotiators often feel caught between the competing desires of finding opportunities for joint gain, i.e. creating value and advancing their own outcomes, i.e. claiming value. In the next four classes, you will have the opportunity to experiment with different approaches as we explore this tension between value creation and distribution—which, at its core, deals with how and when you share and elicit information. We will also discuss how these processes play out in team negotiations.				
Class	Topic	Agenda	Readings Due	Assignments Due
Class 3 Sep 11	Value Creation	<ul style="list-style-type: none"> Negotiate and review <i>Negotiation 3</i> Lecture: Value creation through information exchange 	<ul style="list-style-type: none"> <i>Bargaining for Advantage</i>, ch. 4, 5 and ch. 8 	<ul style="list-style-type: none"> Short prep plan 2 Reading assignment 2

Class	Topic	Agenda	Readings Due	Assignments Due
Class 4 Sep 18	Integrative Negotiations	<ul style="list-style-type: none"> Lecture: Efficient Trade-Offs Negotiate and review <i>Negotiation 4</i> 	<ul style="list-style-type: none"> <i>Bargaining for Advantage</i>, ch. 10&11 	<ul style="list-style-type: none"> Comprehensive Prep Plan 1 (individual) Reading assignment 3
Class 5 Sep 25	Difficult Tactics	<ul style="list-style-type: none"> Quiz #1 Difficult tactics lab 	<ul style="list-style-type: none"> <i>Getting to Yes</i>, chs. 7-8. (Note: You are not responsible for today's readings for the quiz.) 	<ul style="list-style-type: none"> Prepare readings and lectures from Classes 1-4 for Quiz 1
Class 6 Oct 2	Integrative Negotiations 2	<ul style="list-style-type: none"> Lecture: Salary Negotiations Negotiate and review <i>Negotiation 5</i> 	<ul style="list-style-type: none"> <i>Bargaining for Advantage</i>, ch. 3 	<ul style="list-style-type: none"> Short prep plan 3 Reading assignment 4
<p align="center">III. DIFFICULT NEGOTIATIONS</p> <p>Negotiators often find themselves in bargaining situations beyond simple transactions, such as those involving intractable conflicts. Successful resolution of these tricky situations requires a special set of negotiation skills as well as honest self-evaluation, both of which, will be the focus of our next three classes.</p>				
Class 7 Oct 9	Team Negotiations	<ul style="list-style-type: none"> Negotiate and review <i>Negotiation 6</i> Lecture: 3 Empirical Truths about Negotiation Teams 	<ul style="list-style-type: none"> Brett, Friedman, & Behfar "How to Manage Your Negotiating Team" 	<ul style="list-style-type: none"> Comprehensive prep plan 2 (team) Reading assignment 5 <p>Note: Both assignments due at 5 pm on Tuesday Oct 8th</p>
Class 8 Oct 16	Agents in Negotiation	<ul style="list-style-type: none"> Negotiate and review <i>Negotiation 7</i> Lecture: Agents in Negotiations 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Short prep plan 4 Reflection paper 1
Class 9 Oct 23	Conflict Resolution	<ul style="list-style-type: none"> Negotiate and review <i>Negotiation 8</i> Lecture: Conflicts and Disputes 	<ul style="list-style-type: none"> Ury, Brett & Goldberg, "Getting Disputes Resolved" 	<ul style="list-style-type: none"> Short Prep Plan 5 Reading assignment 6

IV. MANAGING COMPLEXITY

Most of the second portion of the class will focus on complex negotiations with multiple parties and issues. First we will explore the related discipline of mediation to help build skills such as process management and consensus-building that are key to successful multi-party negotiations. Then we will engage in two complex negotiations that will synthesize all of the concepts we have been discussing throughout the semester. We will also analyze a complex real-life negotiation together as a class.

Class	Topic	Agenda	Readings Due	Assignments Due
Class 10 Oct 30	Mediation 1	<ul style="list-style-type: none"> Analyze a film on Mediation 	<ul style="list-style-type: none"> Mediation Secrets for Better Business Negotiations Brett, The Mediation Process 	<ul style="list-style-type: none"> Reading assignment 7
Class 11 Nov 6	Mediation 2	<ul style="list-style-type: none"> Negotiate and review <i>Negotiation 9</i>, which is a mediation exercise 	<ul style="list-style-type: none"> Lerner "Negotiating under the Influence" "The Feelings Conversation", excerpt from <i>Difficult Conversations</i> 	<ul style="list-style-type: none"> Reading assignment 8
Class 12 Nov 13	Culture	<ul style="list-style-type: none"> Meet with teams Negotiate and review <i>Negotiation 10</i> 	<ul style="list-style-type: none"> Brett & Gelfand, "Lessons From Abroad" Cross-Cultural Communication Skills for Business Executives 	<ul style="list-style-type: none"> Short prep plan 6 Reading assignment 9 Reflection Paper 2
Class 13 Nov 20	Negotiations in the wild	<ul style="list-style-type: none"> Discuss culture in negotiation Dissect a real-life negotiation as a class: Brexit 	<ul style="list-style-type: none"> Readings on Brexit to be posted on Canvas 	<ul style="list-style-type: none"> Reading assignment 10
Class 14 Dec 4	Course Wrap-up	<ul style="list-style-type: none"> Quiz #2 Course wrap-up 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Prepare readings and lectures from Classes 5-13 for Quiz 2 Final paper due at 11:59 pm on December 6th