

Department of Legal Studies & Business Ethics
The Wharton School, University of Pennsylvania
LGST/MGMT/OIDD 2910-409

NEGOTIATIONS

Spring 2024

Instructor: Rachel M. Krol, JD (rkrol@wharton.upenn.edu)

Class times: Thursdays, 3:30-6:30 PM ET

Location: TBD

Office Hours: Thursdays, 1:00-2:30 PM ET or by appointment; Huntsman 6th fl. or Zoom

TAs: TBD

OVERVIEW

We negotiate every day—with merchants, service providers, employers, colleagues, clients, friends, and family—determining what price we will pay, the amount of our salary and compensation, how to accomplish a team project, 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 integrates theory and practice. It will give you a foundation, a conceptual understanding of negotiation processes, so that you can analyze negotiation situations intelligently and choose effective strategies. It will also build your practical hands-on negotiation and conflict resolution skills in a range of settings.

Each class period will include negotiation simulations and exercises. We will combine this experiential learning with readings, lectures, discussions, and small group review sessions. I encourage you to approach this course with an open mind and a willingness to experiment!

COURSE OBJECTIVES

More specifically, during the course you will:

1. Learn fundamental concepts of negotiation theory and behavior;
2. Enhance your ability to analyze negotiation processes in both professional and personal situations;
3. Build your confidence and competence through frequent practice; and
4. Gain tools for your continued development as a skilled negotiator.

READINGS AND MATERIALS

1. Roger Fisher, et al., *Getting to Yes* (Penguin 3rd edition 2011);
2. Douglas Stone, et al., *Difficult Conversations* (Penguin 2nd edition 2010); and
3. Additional Readings on Canvas (see the “Course Materials @ Penn Libraries” tab).

You will also be required to register for the online platform iDecisionGames (iDG) and pay a \$15 user fee.¹ This is where you will receive your negotiation case instructions and pairings and submit your preparation forms and results. Further instructions on Canvas.

ATTENDANCE

Attendance in this course is mandatory!²

Each week, you will have interactive negotiation simulations where you will be given a specific role to play and be teamed up with at least one other student. Therefore, missing a class hurts everyone’s learning, not just yours. The same applies to preparation. If you come to a negotiation unprepared, not only will you lose out, but your counterpart(s) will also lose out and you will not learn the lessons and skills that the simulation aims to teach.

If you need to miss a class, please email me and both TAs as soon as possible and at least 24 hours in advance—by 3:30PM on Tuesday. The more notice there is, the more easily I can plan to ensure that the learning experience of other students is uninterrupted.

If you miss a class, you will lose participation points for that day. You can earn those points back by making up the missed roleplay and/or completing a short assignment related to the class material that week. Consult with us as to which make-up is appropriate.

If you miss more than two classes, your overall grade for the course will be reduced one level (i.e. from B- to C+). Make sure you attend regularly so that getting sick or having a schedule conflict does not risk putting you over the 2-class limit.

USE OF TECH

Unless directed otherwise, this is a tech-free class. The main exception is that you will receive instructions for your negotiation simulations electronically so will need to use laptops or other devices during these in-class exercises. If you need an accommodation to use a laptop or other device in the classroom, please speak to me about this issue. I will make the PowerPoint slides of every lecture available after each class.

¹ If you have concerns about the user fee, please let me know. This should not be a barrier for you to take the class.

² Consistent with University COVID public health guidance and Policy on Secular & Religious Holidays.

GRADING

Grading for this course will be based on the following components. Due dates are posted on Canvas and listed in the course schedule at the end of this syllabus. A common question is whether the course follows a curve. The course does not adhere to a curve. This means grades are assessed for each person individually against a set standard.

| GRADE COMPONENTS | Percentage of Final Grade |
|---|---------------------------|
| A. Personal Growth Statement | 5 |
| B. Negotiation Preparation | 30 |
| C. Class Participation | 20 |
| D. Mid-term | 20 |
| E. Final Paper: Real World Negotiation | 25 |

A. Personal Growth Statement (5%)

Our class time is limited. You will get more out of the experience if you take time at the beginning of the course to reflect and have a clear set of learning goals in mind. In this 1-2 page paper, you will discuss your current negotiation strengths and weaknesses and set concrete objectives for the semester.

Grading:

- 4 = Exceptionally thorough, clear and thoughtful throughout, states clear objectives and uses concrete examples, addresses all parts of the assignment prompt.
- 3 = Sufficiently thorough, clear and thoughtful reflection for the most part, may be too general or vague, might not address all parts of the assignment prompt.
- 2 = Some effort, but excessively vague/general.
- 1 = Submitted the document with little or no effort.

B. Negotiation Preparation (30%)

Preparation is probably the single most important thing you can do to improve your performance in any negotiation. In this class, it is essential that you read and prepare for every negotiation exercise. Lack of preparation diminishes 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, you will be required to submit a short planning document via Canvas prior to each negotiation simulation after the first two weeks.

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 clear.
- 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.

A note about accuracy: The grading is based more on earnest preparation. Small errors won't be held against you. For instance, the planning document might ask you to calculate your reservation price. So long as you explain your rationale for your calculation and the rationale is reasonable considering course content, you will get full credit, regardless of whether the numbers are fully accurate. Overall, I want to see how you are thinking through the case and preparing for it.

Help making sense of the grading. There are nine planning documents. Each worth 4 points each. Students who take this assignment seriously typically earn 3-4 points on each planning document. A total score across all the planning documents of 31 or higher would be in the A range for this assignment.

Late assignments are not accepted. This is because the assignment is in service of the negotiation exercise.

C. Class Participation (20%)

Participation in class discussions to debrief the negotiation simulations is a very important part of this learning process. Grading will be based on 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.

Grading: After each class, everyone gets a numeric evaluation on the following scale

- 5 – Present + high quality participation
- 3 – Present, on time, and engaged
- 1 – Present, but late or otherwise disengaged
- 0 – Absent

High quality participation typically includes the following attributes:

- Relevant to the topic
- A clear articulation of a personal experience or observation

- Moves the conversation forward in some way by adding new information, insights, or viewpoints; and
- Engages other students by sparking peer responses.

At the end of the course, I will ask you to share feedback regarding peers who made significant contributions to your learning in the course. This feedback will give me additional perspectives as well as insight into aspects of the course that I cannot observe directly, such as the negotiation simulations and small group discussions. This feedback is not determinative. I may take it into consideration when determining each student's participation grade and will do so only a way that helps a student's participation grade. Completion of this survey will count towards your participation grade.

Making sense of the grading:

- Being on time, present, and engaged in all class sessions + high quality participation in 50% of the class sessions would be the equivalent of an A participation grade.
- Being on time, present, and engaged in all class sessions, but with limited participation would be the equivalent of a B participation grade.
- If a student is on the cusp of a B+/A- for her participation grade and receives positive feedback from her peers, she would be bumped up to an A-.

D. Midterm (20%)

When you are in a negotiation, you must have the appropriate strategies and frameworks 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 this test is to help you get to that point. It will be closed-book, in-class, and last approximately one hour. The test will cover readings, lectures, and class discussions. While we will not have time to discuss all the readings in class, you will be expected to understand and apply the main substantive points of each chapter/article.

E. Final Paper: Real World Negotiation (25%)

Sometime during the semester, you must plan and execute a negotiation outside of class. This is an opportunity for you to show your understanding of concepts by applying them outside of class in situations with real stakes. The negotiation should be about something nontrivial (i.e., you should care how the negotiation turns out). Other than that, it can be about any topic (buying or selling a good or service, subletting an apartment, negotiating a job offer, resolving a conflict with a friend, roommate or family member, etc.).

This Final Paper will consist of three parts: First, you will submit your proposed negotiation context. Next, you will submit a preparation plan for your chosen negotiation. I will provide you with specific questions to address in your preparation plan. Lastly, you will write a paper that analyzes key moments during the negotiation, reflects on your performance and growth as a negotiator, and discuss lessons from the experience. This last part of the paper should be no more than 2000 words.

We will discuss this assignment in detail in class and written guidelines will be on Canvas.

Grading: Final papers will be graded on a 0-10 scale, where 10=A+, 9=A, 8=A-, 7=B+, 6=B, 5=B-, 4=C/C+, 3=C-/D+, 2=D/D-, 1=F. Note that 10s will be rare and reserved for assignments that truly excel.

PLAGIARISM (INCLUDING USE OF CHATGPT, ETC.)

I expect students to adhere to Penn's [Code of Academic Integrity](#) in all assignments. **All assignments must represent only your own creative work and effort.** Any source you rely on or quote directly must be cited. You may use whichever citation method you prefer as long as it is clear and consistent.

This citation requirement includes the use of any material generated by an AI program. Such material should be cited like any other reference material, with due consideration for the quality of the reference, which may be poor. When referencing AI-generated material, include your prompts with the output (screen shots are fine). Be aware that AI programs can “hallucinate” or completely fabricate information or sources. It is your responsibility to confirm any information you rely on. If you have any questions, I encourage you to talk to me about any aspect of this before submitting a given assignment.

CONFIDENTIALITY AND ACADEMIC INTEGRITY

In the various negotiation exercises, you will typically be given confidential instructions for the role that you will play. It is up to you to decide, during the course of each negotiation, what information you want to share (or not share) with your counterparts. This is a large part of what will make the simulation an enriching learning experience. Therefore, it is critical that you not discuss or share these instructions with your classmates until we begin our formal class debrief session.

In addition, it is critical that you not share or discuss negotiation simulations with any Penn student—not just your classmates, but students in other negotiation classes, or any student who might take a Wharton negotiation class in the future. To invent and refine a case is an arduous task, often taking several years. If either the structure of a case (its basic challenge) or the substantive facts of one or both sides should become widely known, or if you should attempt to learn about the structure of the case prior to negotiating it, the case would be of little use to you or future students.

Any of these actions would be considered a violation of Penn's [Code of Academic Integrity](#).

COURSE SCHEDULE AND DELIVERABLES

| Class (Date) | Agenda | Readings Due | Assignments Due |
|----------------|---|--|--|
| Class 1 (1/18) | <ul style="list-style-type: none"> • INTRODUCTION TO NEGOTIATION • Read, negotiate, and review <i>Cessna</i> • Discuss Syllabus | <ul style="list-style-type: none"> • <i>Getting to Yes</i>, Introduction, ch. 1 | <ul style="list-style-type: none"> • Submit intro video & register for iDecisionGames by Wednesday, Jan. 17. • Review Course Syllabus |
| Class 2 (1/25) | <ul style="list-style-type: none"> • Read and negotiate <i>BioPharm-Seltek</i> • Review <i>BioPharm-Seltek</i> • POSITIONAL BARGAINING, FIRST OFFERS, AND CHOOSING A NEGOTIATION PROCESS | <ul style="list-style-type: none"> • Shell, "Your Goals and Expectations" • Patton, "Negotiation" | <ul style="list-style-type: none"> • Submit Personal Growth Statement at beginning of class |
| Class 3 (2/1) | <ul style="list-style-type: none"> • Negotiate and review <i>Negotiating a Pandemic</i> • INTEGRATIVE BARGAINING & A MUTUAL GAINS APPROACH | <ul style="list-style-type: none"> • Bordone & Todd, "Have You Negotiated How You'll Negotiate?" | <ul style="list-style-type: none"> • Prepare to negotiate <i>Negotiating a Pandemic</i> |
| Class 4 (2/8) | <ul style="list-style-type: none"> • CREATING VALUE • Negotiate and review <i>Diego Primadonna</i> • ACTIVE LISTENING | <ul style="list-style-type: none"> • <i>Getting to Yes</i>, chs. 3-4. • <i>Difficult Conversations</i>, ch. 9. | <ul style="list-style-type: none"> • Prepare to negotiate <i>Diego Primadonna</i> |
| Class 5 (2/15) | <ul style="list-style-type: none"> • THE CHALLENGE OF DISTRIBUTION • Negotiate and review <i>Eazy's Garage</i> • DEALING WITH DIFFICULT TACTICS | <ul style="list-style-type: none"> • Fisher, <i>Getting to Yes</i>, ch. 5, 7-8. | <ul style="list-style-type: none"> • Prepare to negotiate <i>Eazy's Garage</i> |

| Class (Date) | Agenda | Readings Due | Assignments Due |
|-----------------|---|---|---|
| Class 6 (2/22) | <ul style="list-style-type: none"> • Negotiate <i>Bullard Houses</i> • Review <i>Bullard Houses</i> • NEGOTIATION ETHICS | <ul style="list-style-type: none"> • Shell, “Negotiating with the Devil without Losing Your Soul.” • Adler, “Negotiating with Liars.” | <ul style="list-style-type: none"> • Prepare to negotiate <i>Bullard Houses</i> |
| Class 7 (2/29) | <ul style="list-style-type: none"> • Midterm • Guest Speaker | NONE | <ul style="list-style-type: none"> • Prepare readings and lectures from Classes 1-6 for Midterm |
| 3/7 | NO CLASS – ENJOY SPRING BREAK! | | |
| Class 8 (3/14) | <ul style="list-style-type: none"> • Negotiate and review <i>Author Author</i> • MANAGING EMOTIONS AND DIFFICULT CONVERSATIONS | <ul style="list-style-type: none"> • <i>Difficult Conversations</i>, chs. 1-5. | <ul style="list-style-type: none"> • Prepare to negotiate <i>Author Author</i> |
| Class 9 (3/21) | <ul style="list-style-type: none"> • Review <i>The Offer</i> • Job offer negotiation advice • Bargaining Styles Exercise | <ul style="list-style-type: none"> • Ebner, “Negotiation via Email.” <i>Optional:</i> • Watch or read: “How to Negotiate Your Job Offer” | <ul style="list-style-type: none"> • Prepare <u>and negotiate</u> <i>The Offer</i> via email (see Canvas for details) |
| Class 10 (3/28) | <ul style="list-style-type: none"> • ASSISTED NEGOTIATION: MEDIATION • Mediate and review <i>Catering Coworkers</i> | <ul style="list-style-type: none"> • Cleary, “Mediators: Lessons and Observations” • Beer, “The Mediator’s Handbook.” | <ul style="list-style-type: none"> • Prepare to mediate <i>Catering Coworkers</i> • Submit your proposed idea for your Final Paper before class |
| Class 11 (4/4) | <ul style="list-style-type: none"> • ASSISTED NEGOTIATION: AGENTS • Negotiate and review <i>House Sale</i> | <ul style="list-style-type: none"> • Mnookin, “The Tension Between Principals and Agents.” | <ul style="list-style-type: none"> • Prepare to negotiate <i>House Sale</i> |

| Class (Date) | Agenda | Readings Due | Assignments Due |
|-----------------|---|---|---|
| Class 12 (4/11) | <ul style="list-style-type: none"> • MULTIPARTY NEGOTIATION • Prepare by role for Harborco • Negotiate <i>Harborco</i> | <ul style="list-style-type: none"> • Susskind, "Making the Most of Multiparty Negotiations" | <ul style="list-style-type: none"> • Prepare to negotiate <i>Harborco</i> |
| Class 13 (4/18) | <ul style="list-style-type: none"> • Guest speaker • Review <i>Harborco</i> • Negotiate <i>Mouse</i> | <ul style="list-style-type: none"> • Meyer, "Getting to <i>Sí, Ja, Oui, Hai, and Da.</i>" | <ul style="list-style-type: none"> • Prepare to negotiate <i>Mouse</i> |
| Class 14 (4/25) | <ul style="list-style-type: none"> • Continue to negotiate <i>Mouse</i> • Review <i>Mouse</i> • Course wrap-up | <p><i>Optional:</i></p> <ul style="list-style-type: none"> • Watkins, "<i>Negotiating in a Complex World.</i>" | <ul style="list-style-type: none"> • Submit Final Paper Prep Plan before class <p>Reminder:</p> <ul style="list-style-type: none"> • Online peer feedback due by midnight on Apr. 29 • Final paper due by midnight on May 6 |