

MGT 448

NEGOTIATION

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OBJECTIVES

Negotiation is everywhere. Managers and other humans negotiate whenever they seek to resolve conflicts interdependently and interactively. Effective negotiators use analytical skills, interpersonal sensitivity, and communication acumen to reach agreements that serve their interests and preserve or enhance their reputations. This course is designed to help you approach negotiations with confidence. You will have the opportunity to develop your negotiating skills experientially and to understand negotiation within useful analytical frameworks. The core objectives of the course include:

- gaining a broad understanding of some central concepts of conflict resolution as a way to think about the process of negotiation.
- improving analytical abilities in understanding the behavior of individuals and groups in situations where interests are in conflict.
- providing hands-on experience as a way to improve your individual ability to manage conflict through the process of negotiation.

READINGS, Etc.

Readings and class activities are drawn from the following book, which you should purchase at the Vanderbilt Bookstore:

Lewicki, R.J., Saunders, D.M., and Barry, B. (2010). *Negotiation: Readings, Exercises and Cases* (6th edition). Boston: Irwin/McGraw Hill.

NOTE: The 6th edition is significantly different from prior editions, so you need to have this edition.

Some required readings are accessible online through the web page for this course, found here:

<http://www2.owen.vanderbilt.edu/bruce.barry/mgt448/>

“LAB FEE”

There is a mandatory fee to cover the cost of supplementary experiential activities used in the course. These simulation materials, purchased from the Harvard Program on Negotiation and the Kellogg Dispute Resolution Research Center, will be provided to you at appropriate points in the course.

You *must* provide Janet Sisco in room 230F with **\$16.00** by the start of the second week of class. She is available to receive payment (cash or check) weekdays from 7 am until 4 pm. The materials paid for will be handed out to you at the point in the course where they are used.

GROUND RULES

Considerable emphasis in this course is placed on simulations and role-plays as a vehicle for providing you with opportunities to experiment with negotiating techniques in a variety of contexts.

This necessitates some fundamental ground rules for students who choose to take the course:

- *Commitment:* You must make a personal commitment to prepare assiduously and negotiate seriously. Each time you participate in a simulation, the educational experience of one or more other students is directly linked to what you do. If you are not willing to make this commitment, then this is not the elective for you.
- *Attendance:* Some negotiations will be conducted *in class*. If you miss a class, you adversely affect the educational experience of other students assigned to negotiate with you. Class discussions in which we debrief a simulation are also hampered by the absence of negotiators. If you cannot arrange travel and other obligations around this class, please find another elective.
- *Timeliness:* When you are asked to prepare for a negotiation or to turn in results, it is crucial that you meet the deadline. Everyone in the class is engaging in the simulation and debriefing the results simultaneously, so paying attention to the clock is essential. Also, on some days we may run and debrief negotiation simulation during class, which makes for tight timing, so it is important to arrive on time for class.
- *Confidentiality:* Within each negotiation simulation, you will be assigned a role and provided with confidential information for that role. It is imperative that you read *only* the material assigned for *your* role. Moreover, because other sections of this course in other mods may use some of the same simulations, it is critical that you (a) take care not to lose role instructions; (b) return or destroy role instructions at the end of the course, and (c) avoid discussing the specifics of simulations with students not taking the course this mod.
- *Silence:* When negotiations or negotiation preparations take place outside of class, do not discuss them with others (beyond teammates in a group negotiation simulation). When details or results are discussed, it is almost inevitable that others who have not yet undertaken the task will hear your comments, which biases their experience.

TECHNOLOGY

Role instructions for simulations as well as other critical pieces of course information are distributed by email, so you must worship at the temple of the inbox. Links to online readings are found on the course webpage (URL above, under “Readings”). During class the use of portable electronic devices is disallowed except for the very limited case of consulting a course reading or role. Texting and web surfing are never appropriate. Devices should be completely silenced (not set to vibrate).

SIMULATION PROCEDURES

You will be assigned a role and partner(s) for each negotiation simulation. An Excel spreadsheet distributed by the start of week two (when class roster is finalized) contains these assignments. For each negotiation simulation, keep the following in mind:

- Role instructions will usually be distributed by email as attachments. It is your responsibility to make sure you have received it when expected (consult syllabus schedule below) and to contact me if you received the wrong document or no document. If I distribute roles as hardcopy, be sure to pick up the correct (color-coded) document for your assigned role.
- Complete your preparations – reading and planning – *prior* to a class during which a negotiation takes place. There will *not* be time allotted in class for preparation.
- If you must miss a simulation, notify me well in advance. Arrange to complete the simulation at another time (if possible). Missing more than one simulation earns a course-grade penalty of ½ grade for each miss (e.g, for MBA and MSF students an HP becomes a P for two misses; for other students a B becomes a C for two misses).

COURSE REQUIREMENTS

[A] SIMULATIONS AND IN-CLASS ACTIVITIES (40% of course grade)

- **Class Participation** (30% of course grade)

I will evaluate each student's contribution to the class over the course of the module. For negotiation simulations, I expect students to prepare their roles carefully and participate with effortfully. For debriefs and discussions, I expect students to take the time to ponder readings and exercises critically, and come to class prepared to participate actively. In evaluating participation, I view the *quality* of your contribution as far more important than the *quantity* (although admittedly some the latter is necessary to assess the former). Students are encouraged to disagree with each other and with the professor in ways that enlighten and move the discussion forward. The class participation grade will also reflect my judgment of the seriousness of your preparation for and participation in negotiation simulations.

- **Reputation Index** (10% of course grade)

By the end of the course you will have negotiated with a number of your classmates, received feedback from some, and heard about the performance of others. Based on these experiences, you will be asked to evaluate the reputation of your classmates as negotiators and as givers of feedback. The index, which is a proxy for the long-term effects of reputation on one's options in negotiation, recognizes those individuals who develop a reputation as trustworthy and effective negotiators, and who, through their feedback, contribute to the value of your experience in MGT 448. Completed reputation index forms are due on Thursday, December 8 at 5:00 pm.

[B] WRITTEN DELIVERABLES (60% of course grade)

- **Negotiation Analysis/Feedback Statements** (15% of course grade)

At the end of some two-party negotiation simulations you will write a brief (keep it to ~500 words) analysis of (a) what what happened in this simulation and why, and (b) the style, tactics, and performance of your negotiation opponent. These are due following the simulation

debriefing (exact dates/times in schedule below). A handout on the course web page explains assignment and format in detail. *Please follow instructions!*

- **Real World Negotiation Paper** (15% of course grade)

By week 4, you are to go into the dreaded “real world” and negotiate for something for which you would normally not negotiate or had not planned to negotiate at this time. It must be a newly hatched experience, not a recollection of a past encounter. Write up your experience, focusing on how you prepared for the negotiation, what happened, how you felt during the interaction, what the outcome was, why it turned out that way. Critique your performance -- what could you have done differently to produce a better outcome? *Be sure to consult the handout on this assignment available on the course web page for further information.*

The text of the paper (excluding cover page, exhibits, references, etc.) should not exceed 1000 words. Paper is due Friday, November 11 at 3 pm. **Submit electronically** (Word .doc or .docx). Double space with font size ≥ 11. Name the file with just your last name (e.g., *Keynes.docx*).

- **Final Paper:** Choose One of Two Options (30% of course grade)

- ♦ **OPTION A: Group Negotiation Analysis Paper**

In groups of 2-4, write a paper analyzing an actual negotiation situation that has been in the news or written up as a case in some other context. Select an incident that is sufficiently complex and intricate to provide interesting data for analysis. Your paper should include a brief description of the events as they occurred, along with a detailed analysis of the situation using concepts developed in this course. The paper will be evaluated based on understanding of the concepts used, creativity, providing complete data, ability to bring meaningful order to the data, and clarity of presentation. An excellent paper will present a thorough explanation and careful, conceptually grounded analysis of what happened in the negotiation and why.

The text of the paper (excluding cover page, exhibits, references, etc.) should not exceed 3600 words. Paper is due on Sunday, December 11 at 3:00 pm. Submit electronically (Word .doc or .docx) or hardcopy, whichever you prefer. Double space with font size ≥ 11.

On December 8 each group will give to the class a very brief **oral snapshot of insight** gleaned from their analysis and findings to the class.

- ➔ *You are required to provide me with a roster of your group and a brief summary of your plans for the group paper by Friday, November 11. **Send these by email.***

Students will be invited to evaluate group member contributions to the project so that weight-pullers can be rewarded and slackers can receive their just desserts.

- ♦ **OPTION B: Individual Self-Assessment Paper**

Write a self-assessment of yourself as a negotiator. Use course concepts and simulation experiences to tell me about your strengths and weakness as a negotiator, and what you can do in the future to improve. Be sensitive to context: do not assume that all negotiation situations are the same. Consider your talents and shortcomings in relation to different kinds of settings (including non-business as well as business situations). What kinds of situations trigger positive or negative aspects of your negotiation behavior? To which biases are you especially vulnerable? What do you need to remind yourself to do or not to do?

A first-rate paper will have both analytical depth and reflective richness, will address issues of both strategy and style, and will support its observations and arguments with conceptual material from readings and class discussions.

The text of the paper (excluding cover page, exhibits, references, etc.) should not exceed 1500 words and is due on Sunday, December 11 at 3:00 pm. **Submit papers electronically** (Word .doc or .docx). Double space with font size ≥ 11 . Name the file with just your last name (e.g., *Marx.doc*).

CRITERIA FOR EVALUATING WRITTEN WORK

Papers for this class should be precise, organized, logical, and appropriately supported. High grades are reserved for well-written papers that demonstrate a clear, in-depth, and sophisticated understanding of key concepts. An excellent paper is one that contains superior analysis, incorporates a high level of conceptual fluency with course materials, is logically organized and structured, and features high quality of expression. A first rate paper is well-argued, well-written. It should be clean, clear, and free of mechanical errors.

TWO RULES ABOUT DELIVERABLES

The Rule About Late Deliverables: I expect students to meet deadlines. Unexcused late papers are penalized one full grade level for each 12-hour period past the deadline (e.g., an HP on the deliverable becomes an LP after 24 hours).

The Rule About Missing Deliverables: You cannot pass the course unless all written deliverables (two analysis-feedback writeups, the “real-world” paper, and a final paper) have been completed, each with a passing grade.

THE HONOR CODE

Students are bound by the honor code for all work completed in this course. I draw your attention to some specific guidelines related to MGT 448:

- Individual tasks are completed without the assistance of others.
- For the group project, I expect all members of the group will have contributed.
- Regarding negotiation simulations, the following are breaches of the honor code:
 - obtaining confidential role information for a role other than that to which you are assigned in a negotiation simulation.
 - providing confidential role information to a classmate not assigned to that role.
- Given multiple sections of MGT 448, these are also unacceptable actions:
 - sharing information about experiential exercises in MGT 448 with other OGSM students who may take this course in future.
 - obtaining information about exercises used in MGT 448 from OGSM students, former students, or others who have taken part in these exercises in the past.
- Submitting a “Real World” paper discussing a fabricated encounter violates the honor code.
- For written work, appropriate citations (in some consistent format) should identify contributions to arguments and analyses that draw on the work of others.

Week 3

Nov. 1

Integrative Negotiation

- Read:** • Text: Readings 2.1, 2.2, and 2.3 (pp. 115-138)
Reading 1.8 (pp. 80-96)
- Prepare:** **SIM-3: *Bestbooks/Paige Turner***
NEGOTIATE **BEFORE** CLASS; RESULTS DUE MON. 10/31 AT 3 PM
- Receive:** Role Instructions for **SIM-4: *Lattitude.com***
(Receive via email by Tuesday at 5 pm)
NEGOTIATE BY EMAIL – BEGIN WHENEVER BUYER IS READY

Nov. 3

Labor-Management Negotiations

- Read:** • Background Articles on *Final Offer* (you'll get by email)
• Text: Readings 3.3 (pp. 228-239) and 4.2 (pp. 309-316)
• Online Readings (course web page has 3 links)
- View:** Part 1 of the film, *Final Offer*
VIEW PART 1 (~50 MIN.) on WED., NOV 2 AT 1:00 PM OR 5:30 PM,
or on THURS., NOV. 3 AT 8:30 AM
(We will view Part 2 of the film in class on Thursday.)
- Due:** *Bestbooks* analysis/feedback writeup (Thurs. at 11:59 pm)
- Receive:** Role Instructions for **SIM-5: *Connecticut Valley School***
(Receive via email by Thursday at 5 pm)
EVERYONE READS PP. 538-540 IN TEXT FOR GENERAL INFO

Week 4

Nov. 8

Intergroup Negotiation I

- Prepare:** **SIM-5: *Connecticut Valley School*** (negotiate in class)
HOLD NEGOTIATION TEAM PLANNING MEETING *BEFORE* CLASS!
- Read:** • Text: Readings 2.7, 2.8, and 2.9 (pp. 159-182)
- Due:** **SIM-4: *Lattitude.com*** results (submit by email by 9 pm)

Nov. 10

Intergroup Negotiation II

- Read:** • Text: Readings 2.5, 2.6 (pp. 147-158), 3.13 (pp. 298-300)
• Online: *Power Play*
- Due:** • Real World Negotiation papers (Fri., Nov. 11 at 3 pm)
• Group Paper Roster+Topic, if applicable (Fri., Nov. 11)
- Receive:** Role Instructions for **SIM-6: *The Mexico Venture***
(Receive via email by Thursday at 5 pm)

Week 5

Nov. 15 **Negotiations Across Cultures**

- Read:**
- Text: Readings 5.1 and 5.2 (pp. 321-357)
 - Online: *The Hidden Challenge of Cross-Border Neg.*
- Prepare:** **SIM-6: *The Mexico Venture***
NEGOTIATE **BEFORE** CLASS; RESULTS DUE MON. 11/14 AT 3 PM
- Receive:** Role Instructions for **SIM-7: *Job Offer Negotiation***
(Receive via email by Tuesday at 5 pm)
EVERYONE READS PP. 514-518 IN TEXT FOR GENERAL INFO

Nov. 17 **Job and Salary Negotiations**

- Read:**
- Text: Readings 1.7 (pp. 72-79) and 4.1 (pp. 301-308)
 - Online Readings (course web page has several links)
- Prepare:** **SIM-7: *Job Offer Negotiation*** (you will negotiate in class).
- Receive:** Role Instructions for **SIM-8: *Harborco***
(Receive via email by Thursday at 5 pm)
(You will receive role + document with general information)

Week 6

Nov. 29 **Coalitions and Multiparty Negotiation I**

- Read:**
- Text: Readings 3.11 and 3.12 (pp. 291-297)
- Prepare:** **SIM-8: *Harborco*** (you will negotiate in class)
IF PAIRED IN A ROLE, CONSULT AS A TEAM **BEFORE** CLASS!

Dec. 1 **Coalitions and Multiparty Negotiation II**

- Read:**
- Text: Readings, 7.2 (pp. 453-465) and 7.4 (pp. 472-482)
- Complete:** *Six Channels of Persuasion Survey* (Text pp. 682-685)
- Receive:** Role Instructions for **SIM-9: *Bullard Houses***
(Receive via email by Thursday at 5 pm)
(You will receive role + document with general information)

Week 7

Dec. 6 **Principles, Interests, and Ethics**

- Read:** • Text: Readings 2.10, 2.11, and 2.12 (pp. 183-203)
- Prepare:** **SIM-9: *Bullard Houses***
NEGOTIATE **BEFORE** CLASS; RESULTS DUE MON. 12/5 AT 3 PM
- Receive:** Reputation Index Forms; these are due Thurs, Dec. 8.
(either submit hardcopy or email Excel spreadsheet)

Dec. 8 **Complex Negotiations**

- Read:** • Text: Reading 6.6 (pp. 417-434), 6.7 (pp. 435-442),
and 7.1 (pp. 443-452)
- Prepare:** *If you did the group option for the final paper:* Come to class
prepared to share a two-minute snapshot of insight gleaned
from your group's case study. How did the case speak to
negotiation processes or dynamics that did not otherwise
arise in the course? What piece of information or wisdom
from the course apparently did not apply in the situation you
studied?
- Due:** • Completed Reputation Index Forms (Thurs. at 5:00 pm)
• Optional Analysis/Feedback Writeup on *Bullard Houses*
• Final Paper, group or individual (Sun, Dec. 11, 3:00 pm)