



UNIVERSITY OF
NOTRE DAME
Mendoza College of Business

Negotiation: MGTO 70629
Fall 2019, Module 1
Tuesday/Thursday 1:00pm – 2:50pm

Instructor Information

Instructor: Agnes Andor

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Office Hours: Thursdays 3:00 - 4:00 (after class), or by appointment

Course website listed on Sakai (<http://www.sakai.nd.edu/>)

Course Information

We negotiate daily with colleagues, employees, family, friends, and even strangers. Yet, despite the frequent occurrence of negotiations, most people are not familiar with the strategy and psychology behind successful negotiations, and as a result walk away from negotiations with suboptimal agreements.

Negotiation is the art and science of securing agreements between two or more interdependent parties. It is a strategy that allows you to get what you want through two-way communication. The central issues of this course deal with the decision-making processes and behaviors that you and other negotiators use in competitive contexts.

Course Objectives

The purpose of this course is to introduce you to the theory and processes of negotiation as they are used in professional settings, which will help you be successful in a variety of negotiations. The course helps you understand the theory behind negotiators' behaviors and allows you to experiment with the strategies prescribed by each theory, giving you the opportunity to develop your own negotiating style. To achieve these objectives, emphasis will be placed on exercises, cases, discussion, and writing. Some of the specific objectives of this course are:

- To gain a deep understanding of the strategic structure of negotiations. It is critical to learn to think rigorously about the strategic aspects of negotiations such as interests, goals, positions, rights, and power. These issues are often ambiguous and do not have singularly correct answers. There is no formula that ensures success in a negotiation. However, the purpose of this class is to teach you a framework that will help you develop a path to achieve the best outcome in whatever negotiations you encounter.
- To develop confidence in the negotiation process as an effective means of resolving conflict in organizations.
- To improve your ability to analyze the behavior and motives of negotiators in settings that have both competitive and cooperative elements.

- To experiment with various negotiation strategies and analyze the behaviors and motivations of others to improve your abilities as an effective negotiator.

Course Format

Exercises: The course is designed around a series of exercises that help you implement the theory discussed in readings and class. We will engage in these exercises every week. While most of the exercises will be conducted during class time, you are expected to prepare for exercises, coordinate with other students, and in some cases negotiate outside of class.

Preparation for exercises: Learning in this course is facilitated by full participation in the exercises. As in real negotiations, the negotiations in class are interdependent; learning can only occur when both parties are prepared and engaged. Thus, full preparation is expected for every negotiation exercise. Note that this often includes preparation before class and with other class members.

Negotiation debrief and feedback: Following every exercise, we will debrief the negotiation in class. You are expected to participate in every debriefing session. All negotiation results will be posted during the debriefing session so that we, as a class, can compare strategies and outcomes to one another and learn from varying experiences. After two of the negotiations during the course you will receive private feedback from two of your negotiation partners to help you reflect on your effectiveness as a negotiator. This feedback will help you to establish clear personal goals and assess your progress on those goals during the course.

Learning: This class is a low-risk and safe negotiating environment. You are encouraged to try a variety of strategies during the negotiation exercises to see what strategies work and do not work for you, allowing you to refine your negotiation style. These exercises are a low-risk way to refine your own negotiation strategy. You may or may not gain the best outcome in the class, but either way you will learn a lot from stepping outside of your comfort zone. Please do not be afraid to experiment.

Course Materials

Required Readings

- (MB) Malhotra, D., & Bazerman, M.H. (2007). *Negotiation Genius*. New York: Bantam. (Amazon)
- (FUP) Fisher, R., Ury, W. & Patton, B. (2011). *Getting to Yes*. New York: Penguin Books. (ND bookstore, library, Amazon)
- (SK) Sakai—articles not provided in class will be made available on the course Sakai website (in the Class Materials folder).

iDecisionGames, Exercise Licensing, and Distribution: This class uses iDecisionGames.com to manage the licensing and distribution of negotiation cases. Because the cases are copyrighted, users (i.e. students) must pay a fee to the copyright holders for each case. You will also use iDecisionGames to receive your role instructions, enter your results, and receive feedback for upcoming exercises. Please register yourself and pay the access fee (\$61) by clicking on <https://idecisiongames.com/promo-home?code=MGTO-70629>. If the above link doesn't work you can also register by going to idecisiongames.com and entering the following access code for your section: **MGTO-70629**. 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. **Note that you will 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.

Students must register for iDecisionGames before the 2nd class period (August 29, 1:00 pm).

Grading

Attendance and Participation	25%
Feedback	20%
Exam	30%
Real World Negotiation Paper	25%

Attendance and Participation (25% of grade)

Attendance: Given that you will be negotiating with each other in each class session, there is a strict attendance policy for this class. I expect you to attend all class sessions in full. You are allowed to miss one class if you give prior notice (24 hours or more). Any additional absences will result in a reduction of one letter grade per absence. Without prior notice, absences will result in a reduction of one letter grade per absence. Additionally, it is important to be on time to every class, as information related to exercises is often given at the beginning of class. Any students who arrive to class after the negotiation begins have put themselves and their partner at an unfair disadvantage for learning opportunities that week. Being late to class will result in a one-half letter grade reduction. If you know you will be consistently absent from class, please choose another elective.

The reason there is such a strict attendance policy for this course is because the negotiation exercises are a critical component of the class. If you miss a negotiation exercise, not only will you lose out on the learning process, but also your classmates' learning will be affected. In some negotiations, five or more students could be affected by the absence of a single student.

Participation also includes being able to relate assigned reading materials to class experiences. Each exercise will be debriefed with the class and thus participating in this debriefing session will comprise a large part of your participation grade. Debriefing includes sharing information about results, sharing information about negotiating strategies attempted and reactions to the process, and relating assigned reading materials to the class discussion. Most students will have difficulty applying one or more of the negotiation concepts. We learn from our mistakes and the mistakes of others. This course is a good opportunity to experiment with new ways of negotiating in a low-risk environment.

Class participation is a very important part of the learning process in this course. You will be evaluated on the quality of your contributions and insights. Quality comments possess one or more of the following properties:

- Offer a different or unique, but relevant, perspective
- Contribute to moving the discussion and analysis forward
- Build on or challenge comments from other students
- Apply concepts in the readings to negotiation experiences

Your performance in the negotiation exercises **will not** influence your grade. I want you to feel comfortable trying new strategies and amending old ones without worrying about your grade.

Feedback (20% of grade)

A valuable portion of this class is the ability to provide and receive feedback about your negotiation skills. To facilitate this process, you will analyze your counterparts' behavior in two specific negotiation exercises: **Grand Strand and Federated Science Fund**. This feedback will be due by the beginning of the following class. All feedback will be examined by me and then distributed to the appropriate parties.

Effective feedback highlights your partner's strengths and weaknesses using course concepts supported by specific examples from the negotiation. A template for the feedback sheets will be provided before the first feedback assessments are due. All feedback sheets should be typed (not hand-written). You must turn in TWO copies of your feedback assessments; one will be submitted through Sakai and be graded, and the other will be emailed directly to your negotiating partner. You are encouraged to be as detailed as possible in the feedback you provide, so it is strongly recommended that you complete these assessments as soon as possible following the negotiation.

Exam (30% of grade)

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 reach that point.

The exam is a closed-book test. 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 also the pros and cons of using various concepts strategically, and when different negotiation strategies are appropriate. The test will consist of multiple choice and short-answer questions. You will have 60 minutes to complete the exam. I expect the exam to be challenging, so please plan your study accordingly.

Real World Negotiation Paper (25% of grade)

Sometime during the course, you will plan and execute a negotiation outside of class and report your strategy and negotiation results in a paper. You can negotiate for anything you like—a good or service, salary, or whatever else you might choose. The paper is not due until the end of the course, so you should have ample 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).

The paper should be no more than 2000 words of text (about 6 pages of double-spaced text in 12-point font, with one-inch margins all around).

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. The paper should not be a detailed report of everything that happened in the negotiation. Rather, the paper should focus on **analysis and insights**. Although not an exhaustive list, here are a few examples of the type of issues that you should address:

- What was your goal? What happened in the negotiation (a brief overview of key events)?
- What were the critical factors that affected how the negotiation progressed and your outcomes? What can you say about these factors in general?
- What did you learn about negotiation or conflict from this situation? How do the concepts in the lectures and readings enrich your understanding of the process of this negotiation and its outcome?
- What did you learn about yourself or others from this experience?
- What did you do well? What did you not do well? What would you do similarly or differently in the future?
- How was the negotiation similar or different from other negotiations you have participated in?

A high quality analysis is one that tries to step back from a negotiation, identifies key events and processes, uses course concepts (from the readings, lectures, and discussions) to help structure the analysis, and is well written. Typically, people focus too much on narrative (i.e., what happened) and not enough on analysis (e.g., why it happened, what you learned).

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 frequently been written in the past that do not closely conform to this format.

You must submit your real-world negotiation paper no later than the final day of class (October 8th).

NOTE: Grades in this course will be evaluated in accordance with the required Mendoza MBA policy. Thus, the average GPA will be between 3.3 - 3.6.

Negotiation Research

Much of what we now know about negotiation has come from research conducted in classes like this. The negotiations in this course may be used for both research and teaching purposes. You will have an opportunity to benefit from previous negotiation research in this course, and future students and practitioners will benefit from your experiences. Negotiation results for research purposes are always aggregated and anonymous. If you do not want your outcomes from any exercise used for research purposes, please notify me. Your grade and relationship with the instructor will not be affected in any way by your choice of whether or not to participate in negotiation research.

Guidelines for Negotiation Exercises

- **You may not show your confidential role instructions to the other parties at any point** in time, even after the negotiation. You are free to tell the other parties whatever you would like about yourself **during** the negotiation.
- **Stay in role during the negotiation** and do not discuss the case with the other party even after the negotiation is complete. You may discuss the negotiation with them after it has been debriefed in class.
- **Never assume material is identical even if a classmate is playing the same role, unless you are specifically told that you can share information and strategize together.**

- Although you can improvise and use different negotiation strategies, **you may not create facts that materially change the case.**
- You may use any strategy, short of physical violence, 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.
- Please do not discuss the cases or any student's outcomes with people outside of class.

Honor Code

Please familiarize yourself with the new Honor Code: <https://honorcode.nd.edu/>. I expect all students to abide by the honor code, and specifically the following pledge: *As a member of the Notre Dame community, I acknowledge that it is my responsibility to learn and abide by principles of intellectual honesty and academic integrity, and therefore I will not participate in or tolerate academic dishonesty.*

Course Schedule

See next page.

Course Schedule

Class 1 (Aug. 27)

Introduction to Negotiation

Class: Introductions
Course overview
Prepare & negotiate *Biopharm-Seltek*

Read after: (SK) Cialdini 2001 HBR
(SK) Galinsky 2004 PON

To do after: Sign up for iDecisionGames and pay user fee

Class 2 (Aug. 29)

Distributive Negotiations

Class: Debrief *Biopharm-Seltek*
Distributive bargaining
Preparing for a negotiation

Read after: (MB) Ch. 1
(FUP) pp. 97-108

Class 3 (Sept. 3)

Integrative Negotiations

Class: Prepare & negotiate *Grand Strand*
Debrief *Grand Strand*
Integrative negotiations

Read after: (MB) Ch. 2
(SK) Sebenius 2001 HBR

To do after: Complete Feedback for *Grand Strand*

Class 4 (Sept. 5)

Scoring Systems

Due: Feedback for *Grand Strand (before class)*

Class: Prepare & negotiate *New Recruit*
Debrief *New Recruit*
Scoring systems & salary negotiations

Read after: (FUP) pp. 1-57

To do after: Prepare for *Federated Science Fund* with your group
Complete online survey

Class 5
(Sept. 10)

Negotiation Strategies

Class: Strategies for creating value
Negotiate *Federated Science Fund*

Read after: (MB) Ch. 3, 7
(FUP) pp. 58-95
(SK) Bazerman & Gillespie 1999 HBR

To do after: Complete feedback for *Federated Science Fund*

Class 6
(Sept. 12)

Interests, Rights, and Power

Due: Feedback for *Federated Science Fund* (before class)

Class: Debrief *Federated Science Fund*
Interests, rights, and power

Read after: (MB) Ch. 11, 13
(FUP) pp. 109-130
(SK) Susskind 2004 HBR

To do after: Prepare for *XYZ Local* with your group

Class 7
(Sept. 17)

Negotiation Application

Class: Negotiate *XYZ Local*
Debrief *XYZ Local*
Group negotiations

Read after: (SK) Brett et al. 2009 HBR

To do after: Prepare for *SHARC*

Class 8
(Sept. 19)

Social Dilemmas

Class: Negotiate *SHARC*
Debrief *SHARC*
Social dilemmas

Read after: (MB) Ch. 10

To do after: Prepare for *Bullard Houses*

Class 9
(Sept. 24)

*****NO CLASS SESSION*****

Class: Complete *Bullard Houses* with your counterpart on your own. After the negotiation, one partner should fill out the results on idecisiongames.com by 11:59 pm on Sept 17.

Read after: (MB) Ch. 4, 5, 6
(SK) Swaab & Galinsky 2007 PON

Class 10
(Sept. 26)

Agents and Ethics in Negotiations

Class: Debrief *Bullard Houses*
Agents in negotiations
Deadline pressure
Ethics & lie detection

Read after: (MB) Ch. 8, 9
(SK) Malhotra 2004 PON
(FUP) pp. 131-150

To do after: Prepare for *MOUSE*

Class 11
(Oct. 1)

Cross-Cultural Negotiation

Class: Negotiate *MOUSE*
Debrief *MOUSE*
Culture in negotiation

Read after: (SK) Brett 2017 PON

Class 12
(Oct. 3)

Dispute Resolution

Class: Prepare & negotiate *Telepro*
Debrief *Telepro*
Dispute resolution & mediation

Read after: (MB) Ch. 12
(SK) Liljenquist & Galinsky 2006 PON

Class 13
(Oct. 8)

Negotiation Application II

Due: Real World Negotiation Paper

Class: Course wrap-up

October 11

Final Exam