

FOR BIDDING PURPOSES ONLY
SYLLABUS WILL BE UPDATED TO REFLECT Fall 2016



**Managerial Negotiations
(B7510)**

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COURSE OBJECTIVES

Success in business and beyond requires agreement and collaboration with other people. Whether you are a customer cutting a deal with a supplier, a potential co---investor in a start---up company, or a CEO seeking a strategic alliance, triumph depends on the capacity to negotiate and manage interdependencies.

Among other things, effectiveness at the bargaining table requires:

- The strategic skill to claim your fair share of the goods;
- An alacrity for creating value and executing deals others overlook;
- The sophistication to steer clear of the pitfalls that plague most bargainers;
- Insight into your own values, and the ethics that drive others' behaviors;
- The capacity to forge relationships with people whose backgrounds, expectations, and values differ from your own; &
- A willingness to reflect on and learn from your experience.

This course seeks to develop these skills and provide students with frameworks for analyzing negotiations at a more sophisticated level. We give you the opportunity to identify your strengths as a negotiator and to work on your weaknesses. The course will provide a conceptual framework to diagnose problems, promote agreement, and cut your losses where warranted. More importantly, this course is an opportunity for you to experiment with different techniques and to explore what does and what does not work for you at the negotiating table.

COURSE FORMAT

Negotiation and conflict ultimately come down to behaviors—how a manager opens a potentially volatile conversation, how a mediator uncovers information, how a negotiator frames an offer or a concession. Practicing these behaviors, and understanding how other parties perceive and react to them, is essential to improving as a negotiator. This course provides continuing opportunities for hands---on practice and also provides feedback, discussion, and occasions for reflection.

Through role---play exercises, lecture, reading, and discussion, the course begins with basic dynamics in negotiation and adds complexity in stages, including multiple issues, multiple parties, agents, teams and coalitions. Some exercises involve numerical analyses; others revolve around qualitative conflicts. By the course's end, students should be able to confidently approach most any conflict or negotiation: analyzing its nature, understanding their own objectives, and plotting an approach that will give them the best shot at achieving their goals.

READINGS

All readings are optional and are intended to be an additional resource for students to use to further develop their base of knowledge and skill set. However, it is worth noting that you are more likely to be successful on the optional final project if you demonstrate an understanding of the material covered both in class and in the readings.

Textbook:

Lewicki, Saunders, & Barry (2007). *Essentials of Negotiation*, McGraw-Hill, 5th edition

GRADING

Attendance and participation (20% of your grade)

You are expected to attend all sessions. Please note that attendance in the first session is mandatory for the Managerial Negotiations elective. In addition, you are expected to be prepared with whatever readings or case materials are assigned. If you cannot attend a specific class, notify the TA by email (alee18@gsb.columbia.edu) as far in advance as possible. Because many sessions revolve around role plays in which partners are assigned in advance, an unexpected absence typically has negative effects on other people. Accordingly, unexcused absences and/or absences without notification will result in a lower course grade.

Participation includes several components:

- Active, substantive involvement in simulations
- Discussion and comments in class (quality is more important than quantity)

Preparation Sheets (15% of your grade)

Preparation for the exercises is vital. You should read your role carefully. Try to take on the perspective of your character and plan a coherent set of tactics. A list of negotiations for which I expect planning sheets are at the end of this document. For these particular negotiations I ask that you upload a copy of your planning sheet to Canvas prior to class. For the most part, I will give you explicit instructions on the form your preparation sheet should take (e.g., excel spreadsheet, party map, etc.).

Here are some matters that you might address in your preparation sheet:

- *Agenda*. How will you constrain the issues on the table? Is there an order in which you prefer to discuss certain matters? Are there issues that you will wait for them to raise?
- *Questions*. What can you ask in order to figure out how far they can be pushed? What can you ask to figure out what they care most about?
- *Target*. What's the value of the deal you'd like to reach? What's the worst deal that you would accept rather than an impasse-----walking away from the negotiation without a settlement?
- *Arguments*. What are some rationales or framings you will introduce? How will you persuade the other party?
- *Tactics*. What ploys or techniques would fit with the setting and your bargaining position?

Assignments (25%)

Please upload all assignments to Canvas in advance of their deadline. Where specified, please bring a copy of the assignment with you to class. More information about all of the assignments is available via the Canvas website.

Online Assessment. Please complete the online survey by **Sunday, March 22nd at 10pm**. (Approximate completion time: 10 minutes).

Tactic Table. Construct a table of “hardball” tactics based on the material in the two readings provided: (1) Lewicki et al (Chapter 2, pp 52---60) and (2) Fisher & Ury (Chapter 8). The assignment is due by Thursday, **March 26th (Session 2)**. The table should have three columns: a column for the tactic name, a column with a description of what the tactic entails, and a column with a list of strategies one can implement to counter the hardball tactic. Upload the table to Canvas. (Approximate completion time: 60 minutes).

Peer Videos Analysis. This exercise will give you a chance to reflect on how you and others negotiate, to help a classmate develop his/her negotiation skills, and to develop your own. You will review the video of a classmate to whom you have been assigned and provide some feedback and comments. After receiving the feedback, I encourage you to reflect on your performance in light of the feedback from your peer. The deliverable is a set of at least three comments, emailed to your assigned peer and cc'ing the course TA. The assignment is due by **Tuesday, March 31st (Session 3)**. (Approximate completion time: 45 minutes).

Phone Negotiation Worksheet. To practice applying basic negotiation skills, you will be asked to call a customer service representative (an agent employed by your phone carrier, cable/Internet service provider, credit card company, etc.) and attempt to negotiate a better deal. There are two requirements: the negotiation must happen over the phone, and you are not to reveal that you are calling as part of a class assignment. The deliverable for this assignment is the phone negotiation worksheet. Please note that the worksheet features pre--- and post--- negotiation sections. The former should obviously be completed prior to the negotiation, and the latter after the negotiation. These are due **Tuesday, April 7th (Session 5)**. (Approximate completion time: 90 minutes).

“Score a Deal” Exercise. This assignment was designed to probe and solidify your understanding of the multi--- attribute value analysis (MAV) approach for clarifying tradeoffs between qualitatively different issues in multi--- issue negotiation settings. Please answer the four questions, using the Ames et al. “Scoring a Deal” handout as a guide. The assignment is due by **Thursday, April 9th (Session 6)**. Upload your responses to Canvas. (Approximate completion time: 60 minutes).

“Go Get a Deal” Negotiation Report (20%)

To encourage you to think about the many everyday opportunities you have to negotiate, and to improve your negotiation skills further, you are asked to go out and negotiate a deal. By **Sunday, April 26th at 11:59pm** you must engage in a negotiation for a good or service and submit a written report. There are three rules for this assignment:

1. You must negotiate at least some portion of it in person (i.e. face to face). You may not conduct the entire negotiation over the phone or email.
2. You may not tell the person you are negotiating with that this is for a class project until the negotiation is complete (after which you can decide whether or not you want to tell them this).
3. You must follow through with the transaction if the other party meets your target price (i.e. you must negotiate “in good faith”).

For the assignment, you will submit an analysis of the negotiation that includes two sections: a planning section and a post---negotiation analysis. The planning section should include your aspiration point, your reservation price, your BATNA, and your planned negotiation strategy (efforts to shape the process, to improve your BATNA, your planned persuasive moves, power moves, rapport---building moves, concession pattern, etc.). The post negotiation analysis should describe the events of the negotiation and your assessment of the negotiation outcome, your perception of the strategies you used successfully and unsuccessfully, your assessment of the strategies used by your counterparty, what you learned from the negotiation, and what you would do differently in the future. Consider including 3---4 citations (parenthetical or footnoted) from relevant course readings. The final paper should be 4---6 pages, double---spaced.

You will be graded on: 1) the thoroughness of your negotiation preparation, 2) the quality (appropriateness and intention; be sure to explain the rationale) of your negotiation strategy, and 3) the rigor of your post--- negotiation analysis.

Final Project (20% of your grade)

The final project involves writing either a paper or negotiation case /exercise that demonstrates your knowledge of the course concepts and readings. It should go beyond the class concepts in its close scrutiny of a particular bargaining context or dynamic. This project is **NOT** mandatory. If you would like an "H" in the class, doing the assignment is necessary (but not sufficient to guarantee an "H"). The final project is due **Friday, May 8th at 11:59pm**. Please note: Under no circumstances will I accept late submissions.

If you choose to create a negotiation case/exercise, you must produce: case roles/materials, a 1---2 page debrief guide, and an excel analysis spreadsheet (if appropriate).

If you choose to write a paper, it should be 10---12 pages in length (12 pt font, double spaced). Appendices can be attached as needed to illustrate or document points in the body of the paper (tables, timelines, etc.).

The following paper formats have worked well in the past:

- *Historical study*. Analyze a deal/treaty/conflict through library research and/or interviews.
- *Consulting project*. Analyze a manager's or company's current challenge and develop recommendations.
- *Social science study*. Conduct an experiment or survey investigating the dynamics of a particular negotiation situation.
- *Handbook of tactics*. Provide an overview of the negotiation challenges common in an industry (e.g., Management Consulting) and describe some tools for effectively managing these challenges.
- *Business plan*. Propose a business concept related to negotiation/collaboration/resource allocation/trading/group decision making/networking etc.

COURSE DEVELOPMENT AND RESEARCH

Because I want to encourage experimentation, I do not grade based on your negotiation outcomes. Yet I do carefully record the outcomes and, for some exercises, your answers to questions in the exercise materials. Sometimes I will show the overall patterns in this data to demonstrate points about negotiation principles. The data are also used in a continual process of refining exercises and developing new ones. Just as prior students have contributed to your learning experience by contributing this data, you will be contributing to future classes by answering questions about your outcome and tactics in the course of the exercises. Identifying information is removed from the datasets after the term ends, so the records become anonymous at this point. At times in the past, faculty have drawn on these “anonymized” datasets reflecting years of classes for statistical analyses related to research hypotheses concerning negotiation dynamics. If you prefer that any records from your participation in class be deleted from datasets if they are used for any research purpose, please tell the instructor or teaching assistant and your record will be deleted after the class is complete.

GROUND RULES

These are some ground rules for our course and the role---play exercises:

1. You are expected to be prepared and on time for all negotiation exercises.
2. You are expected to put your laptop away during class.
3. You should not show your confidential role instructions to other parties during a negotiation, nor should you read them or quote them.
4. You should “ad lib” in these exercises to provide rationales and explanations for your character’s preferences—say things you think the character would say. You should adopt the given payoff tables as reflecting your preferences. You should not make up facts that materially change the power distribution of the exercise.
5. It is tempting sometimes to promise certain resources from one’s organization to “sweeten the deal” for your counterpart. Don’t do so, unless role information suggests that these resources exist and that you have discretion over them.
6. Please wait until the class debrief to reveal your preferences/payout table

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DATES AND ASSIGNMENTS WILL BE UPDATED**

OVERVIEW OF COURSE SESSIONS

Session	Date
S1: Overview & Orienting in ZOPA	March 24
S2: Value---Claiming Skills	March 26
S3: Creating & Claiming: Advanced Tactics 1	March 31
S4: Creating & Claiming: Advanced Tactics 2	April 2
S5: Interest---Based Bargaining	April 7
S6: Trust & Cooperation	April 9
S7: Negotiating in Teams	April 14
S8: Principals, Agents & Third Parties	April 16
S9: Coalitions & Bargaining Power	April 21
S10: Multi---Party Negotiations	April 23
S11: Multi---Party, Multi---Issue Negotiations	April 28
S12: In Conclusion	April 30

MODULE 1: TWO PERSON, SINGLE ISSUE NEGOTIATIONS

Session 1 (Cars) Course Overview & Orienting in the ZOPA

Optional Readings: Benoliel et al., "Know Your Objectives"
Fisher & Ury, "What If They are More Powerful?", Chapter 6
Bazerman, "Putting Negotiation Training to Work"

Assignment: Complete the online assessment survey by **3/22 at 10pm**.
Construct table of "hardball" tactics from Lewicki chapter (due in Session 2).

Session 2 (Fang/ Message) Value-Claiming Skills

Optional Readings: Thompson, "Distributive Negotiation: Slicing the Pie"
Fisher & Ury, "What If They Use Dirty Tricks?", Chapter 8
Malhotra, "Accept or Reject?"

Assignment: Prepare for Berkeley Bikes exercise (due in Session 3)

MODULE 2: TWO PERSON, MULTI-ISSUE NEGOTIATIONS

Session 3 (Berkeley Bikes) Creating & Claiming Value: Advanced Tactics I

Optional Readings: Lewicki, "Strategy and Tactics of Integrative Negotiation"
Putnam, "Are You Asking the Right Questions?"

Assignment: Prepare spreadsheet for Moms.com (due in Session 4)
Phone Negotiation Worksheet (due in Session 5)

Session 4 (Moms) Creating & Claiming: Advanced Tactics II

Optional Readings: Medvec & Galinsky, "Putting More on the Table: Multiple Offers"
Bazerman and Gillespie, "Betting on the Future"
Fisher & Ury, "Insist on Using Objective Criteria", Ch 5

Assignment: Prepare for Texoil (due in Session 5)
Phone Negotiation Worksheet (due in Session 5)

MODULE 3: TRUST, CONFLICT, AND INTERPERSONAL COMPLEXITIES

Session 5 (Texoil) Interest--- Based Bargaining

Optional Readings: Malhotra & Bazerman, "Investigative Negotiation"
Fisher & Ury, "Focus on Interests, Not Positions", Ch 3

Assignment: Prepare for BrainSnap (due in Session 7)

Session 6 (Comparative Advertising) Trust and Cooperation

Optional Readings: Shell, "First Foundation: Your Bargaining Style"
Axelrod, The Evolution of Cooperation, Ch 6, 7
Maholtra, "Will You Negotiate or Litigate"

Assignment: Prepare for BrainSnap (due in Session 7)

MODULE 4: MULTIPLE PARTIES

Session 7 (BrainSnap) Negotiating in Teams

Optional Readings: Watkins, "Building Coalitions"

Assignment: Prepare for Hampstead (due in Session 8)

Session 8 (Hampstead) Principles, Agents & Third Parties

Optional Readings: Shell, "Bargaining with the Devil"
Malhotra & Bazerman, "Confronting Lies and deception"

Assignment: Go Get a Deal Report due before Session 10 11:59pm (upload to Canvas) –
Prepare for Harboroco (due in Session 9)

Session 9 (Harboroco) Multi-party, Multi-Issue Negotiations

Optional Readings: Thompson, "Multiple parties, coalitions and teams"
Benliel & Cashdan, "Enhance Your Negotiating Power"
Susskind "Handle With Care"

Assignment: Go Get a Deal Report due 4/26 @ 11:59pm (upload to Canvas)
Optional Final Project due 5/8 @ 11:59pm (upload to Canvas)

Session 10 (TBD) In Conclusion...

Optional Readings: Lewicki, "Best practices in Negotiation", Ch12
Fisher & Ury, "In Conclusion"

Assignment: Optional Final Project due 5/8 @ 11:59pm (upload to Canvas)

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ASSIGNMENTS AND DEADLINES

Please upload a copy to Canvas in advance of the session and bring a hardcopy with you to class.

Due Date	Item
Sunday, 5/25 (10pm)	Complete the online assessment survey
Tuesday, 5/25 (S2)	Table of "hardball" tactics from Lewicki handout
Tuesday, 3/31 (S3)	Preparation sheet for Berkeley Bikes
Tuesday, 3/31 (S3)	Peer---Video Analysis
Tuesday, 4/2 (S4)	Preparation Spreadsheet for Moms.com
Tuesday, 4/7 (S5)	Preparation Spreadsheet for Texoil
Tuesday, 4/7 (S5)	Phone Negotiation Worksheet
Tuesday, 4/9 (S6)	Score a Deal Exercise
Tuesday, 4/14 (S7)	Preparation for BrainSnap
Tuesday, 4/16 (S8)	Preparation for Hampstead Houses
Tuesday, 4/23 (S10)	Party---Mapped Preparation sheet for Tompkins---Bowden
Sunday, 4/26 (11:59pm)	"Go Get a Deal" Report Due
Tuesday, 4/28 (S11)	Preparation sheet for Harborco
Friday, 5/8 (11:59pm)	Optional Final Project (upload to Canvas)