

Managerial Negotiations
(B8510) Spring 2021

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Office hours: By appointment (720 Uris Hall)

Time and Location:

- Section #5: Monday, 9:00-12:15, Uris 307
- Section #6: Monday, 2:15-5:30, Uris 331

To be enrolled in the class, you *must* be present for the first class.

COURSE OVERVIEW

Negotiations and conflicts are everywhere. From low stakes disputes about when and where to hold the next work meeting to high stakes clashes about strategic direction and boardroom contractual agreements, effective negotiators tend to fare better in the long run. Rather than shy away from disputes, effective negotiators get the most out of them both in terms of the instrumental value they carry away and in terms of the relationships and reputations they leave behind. Virtually everyone could stand to improve their negotiation skills and, fortunately, virtually everyone can develop in this area.

This course aims to help students improve their skills in two fundamental ways. One is **knowledge-oriented**: to be more effective negotiators, students learn frameworks and concepts for analyzing negotiations and conflict at a more sophisticated level. Students will acquire terms and models for identifying different types of conflicts and the potential costs and benefits of various strategies and tactics. By the end of the course, students should be able to interpret situations, plan tactics, and recognize and react to their counterpart's behavior. A second route to negotiating effectively is **practice-oriented**: to be more effective negotiators, students complement their analytical tools with behavioral skills. Negotiations 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 other parties' reactions to them, is essential to becoming a more effective negotiator. The course provides a platform for students to practice these skills hands-on, an opportunity to identify their strengths and work on their weaknesses as negotiators, and provides feedback, discussion, and occasions for reflection.

CONNECTION TO THE CORE

This course is related to a wide range of topics that are important for developing professionals. In Columbia Business School's core course sequence, it is perhaps most directly linked to the core leadership course, *Lead: People, Teams, Organizations*, where students will have received an overview of the topic and enacted a role-play negotiation. This course dives deeper, focusing in on different negotiation dynamics and ultimately addressing even more complex issues. Managerial Negotiations also deals with behavior in competitive contexts and markets, touching on topics dealt within the *Strategy Formulation and Managerial Economics* core courses, and with behavior related to persuasive communication and selling, touching on topics dealt with in the *Managing Marketing Programs* core course.

This course embraces the norms of the **Columbia Core Culture**. Students are expected to be:

- **Present:** Be on time and present for every session (attendance will be tracked)
- **Prepared:** Complete pre-work as needed and be prepared for cold calling
- **Participating:** Constructive participation is expected and part of grade

COURSE FORMAT

This is a highly interactive course. Understanding and appreciation of negotiations are best achieved via hands-on experiences in combination with lecture, discussion, reading, and reflection on the underlying concepts of negotiation.

There will be one or more role-play exercises in nearly every class period. These exercises have been selected to help illustrate points in readings and lectures and to motivate further reflection and reading. These exercises will put you in new, and potentially uncomfortable, situations, but within the relatively safe environment of the classroom. In these exercises, you are urged to try out new and creative behaviors and tactics that have suggested themselves to you from your own reading and reflection.

The course begins with basic dynamics in negotiation and adds complexity in stages. Through role-play exercises, lecture, reading, and discussion, students will learn about negotiating multiple issues, negotiations with multiple parties, mediation, agents, and coalitions. Some exercises involve numerical analyses, others revolve around qualitative conflicts. By the end of the course, students should be able to comfortably and 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

To increase students' effectiveness as negotiators, every class will be complemented with a few **optional** readings. You are not required to complete these readings, but students often mention they get much more out of the course if they read along. The goal in this course is to give you the opportunity to dig as deep as you wish in order to develop, strengthen, and hone your negotiation skills.

Readings will be drawn from several books and articles. Feel free to buy previous editions of these books to save money.

- *Getting to Yes: Negotiating Agreement Without Giving In* (by Fisher, Ury, and Patton)
- *Essentials of Negotiation* (by Lewicki, Barry, and Saunders) *
- *Difficult Conversations* (Stone, Patton, and Heen)

* *This is not the same as Lewicki, Saunders, and Barry's volume, Negotiation*

ATTENDANCE POLICY

This course is extremely experiential and is all about practicing and improving your negotiation skills using carefully curated role-play. You have to be in class to engage in the content, and if you miss class there will be no way to make it up. In addition, because most sessions involve pairs or groups of students working together, absences can also potentially undermine your classmates' experience. Thus, being absent without prior notice does not only hurt your own learning experience, but also that of your fellow classmates.

Therefore, **attendance is required for all class sessions** and absences will carry a grade penalty (see Grading). On the flipside, if you are in class every week and participating, you will likely do very well in the course.

The first session sets the stage for the entire course and, therefore, attendance in the first session is mandatory.

ROLE-PLAY GROUND RULES

Everyone plays a part in creating the constructive learning environment that is essential to this course's effectiveness. Here are some ground rules for the role-play exercises:

1. You are expected to be prepared and on time for class meetings.
2. Unless otherwise noted, you are expected to put all electronic devices away during class.
3. You should not show your confidential role instructions to other parties during a negotiation, nor should you directly read them aloud. At your discretion, you can choose to speak about your interests to the other side.
4. Feel free to "ad lib" to provide rationales and explanations for your character's preferences (e.g., say things you think your 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 sometimes tempting to promise certain resources 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. Once the negotiation is complete, keep your instructions private, unless instructed otherwise. We will debrief most of our cases collectively in class.
7. The exercises are an opportunity to experiment. You can learn a lot from using unusual tactics and taking yourself outside of your "comfort zone." However, I will not tolerate anything that verges on intimidation, sexual harassment, or personal abuse.

Students learn best when they experiment and try new things in a safe environment. Therefore, your negotiation outcomes will not affect your grades. 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. Many of the learning points in this course have been developed and refined through extensive prior classroom experiences. Just as prior students have made this course possible by sharing their experiences, you have the opportunity to contribute to the education of future students by sharing your own experiences. If you consent to allow your responses (including those from the leadership multi-rater feedback activity, negotiations exercises, and from other exercises in this course and other courses, as well as surveys by Career Services and other school offices) to be used for research purposes and for future refinement of course materials, your information will be kept strictly confidential. Any information derived from this research that would identify you would not be voluntarily released or disclosed without separate consent.

Research on students' negotiation outcomes (described in the preceding paragraph) takes place under the Columbia University IRB Protocol for "Management and negotiations research" (protocol number AAAA6074). The following individuals and/or agencies will be able to look at and copy your research records: 1) The investigator, study staff and other professionals who may be evaluating the study, 2) Authorities from Columbia University, including the Institutional Review Board ('IRB'), and 3) The United States Office of Human Research Protections ('OHRP'). The Principal Investigator for this protocol is Professor Katherine Philips (Kp2447@columbia.edu, 212-854-5621; your professor is a Co-Principal Investigator). There are no foreseeable risks to you and the proposed research does not present any additional risk beyond what you are already doing as part of the course. The benefits of the exercises are the opportunity to gain knowledge and skills in negotiating and leading effectively. Classroom debriefing aims to help you learn not only from your own experience but also from the experience of classmates. Your participation is voluntary and you may withhold your materials from research purposes at any time without an effect on your course grade. If at any time you have comments regarding

the conduct of this research or questions about your rights as a research participant, you should contact the Columbia University Institutional Review Board by email at askirb@columbia.edu or by phone at 212-851-7040.

If you do not want your responses and outcomes for exercises in this course used for research purposes, please notify the instructor.

GRADING

A large portion of students' grades will be determined by attendance and participation. Grades are largely based on the effort students put into active participation in preparation for and during class. This means that we minimize how much is done outside of class, but also that missing class will incur a grade penalty. Active participation includes class discussions, negotiation simulations, and post-negotiation feedback surveys. Preparation for class includes preparing for negotiation roleplay, building models in preparation for negotiations, and completing reflection assignments on personal development.

Students will complete a few assignments throughout the semester as well as a final paper, all designed to develop their negotiation skills. In addition, students will have the opportunity to complete an *optional* real-world negotiation analysis, which would qualify them to get an H in class. However, I understand that students have busy schedules and many other priorities, and that not everyone is trying to get an H. Therefore, students who want to skip on the optional final assignment are more than welcome to do so.

Need to hand in something late? No need to ask for an extension! Just be aware that we subtract one point per every day an assignment is late. The exceptions to this rule are models that you need to develop in advance of negotiations which must be completed on time as it is the source for an activity that week.

Note that, according to new CBS policy, elective courses now grade on a curve, with the following requirements: H+/H/H- ≤ 50% and H+ ≤ 2%

Assuming I hand in <u>all</u> required assignments <u>on time</u>, what grade can I expect?		
	Without optional assignment	With optional assignment showing exceptional effort (10-12 points)
Missing 0 classes	Highest grade possible: H-	Highest grade possible: H+
Missing 1 classes	Highest grade possible: HP	Highest grade possible: H-
Missing 2 classes	Highest grade possible: HP-	Highest grade possible: HP
Missing 3 classes	Highest grade possible: P1+	Highest grade possible: HP-
* Highest grades are contingent on notable regular class participation, including class discussions, negotiation simulations, and post-negotiation feedback surveys.		

ASSIGNMENTS AND COURSE REQUIREMENTS

Three components make up student grades: 1) required participation, 2) course assignments, 3) a final paper. In addition, students can choose to complete an optional real-world analysis of a negotiation. The course schedule in this syllabus provides a summary of when each assignment is due.

Required participation

- Attendance at all class sessions (see notes on Attendance)
- Active, substantive involvement in simulations (see Roleplay Ground Rules)
- Notable engagement, discussion, and comments in class
- Completion of post negotiation feedback surveys.

Course assignments (due on Canvas on or before each session).

- Online assessment assignment
- Distributive Action Planning assignment
- Integrative Action Planning assignment
- Email Analysis assignment
- Interpersonal Action Planning assignment
- Excel worksheet models for negotiation (sessions 5 and 11)

Final paper

- The final assignment is a self-assessment paper in which you analyze yourself as a negotiator, including your negotiation style and your strengths and weaknesses. This paper should be based on your experience in the course and the feedback you received, as well as other prior negotiation experiences. The paper should culminate in an action plan for developing as a negotiator, including key personal takeaways and a personal “theory of negotiation” that reflects what you believe are the fundamental dynamics and best practices of negotiation as they relate to you. This should **not** be a simple recapitulation of recommendations offered in the class. Rather, the paper should be a personalized version of your own negotiation manual that reflects a meaningful amount of personal insight, synthesis, and application. Final papers are typically 7 to 10 double-spaced pages long and are **due Monday, April 13, 6 pm.**

Optional Real-world Negotiation Analysis

- This optional paper is an analysis of some kind of real-world negotiation or conflict. The topic could be a transaction or deal, but could also be a qualitative dispute or conflict. Students could choose to either analyze a past negotiation/conflict or to conduct a “real time” analysis of an unfolding event that happens during the course itself, such as negotiating with an employer, bargaining with a contractor, an interpersonal family or relationship dispute, etc. The analysis should include a discussion of the background and context, an exploration of the issues at stake, a mapping of the involved parties and their stated positions and interests, and a discussion of the parties’ assumptions and expectations (e.g., the parties’ perceived trustworthiness). An effective analysis would also likely feature some observations about what went well/poorly and how things might have gone differently.

Creative approaches are encouraged. The overarching objective is to think carefully about a real-world conflict or negotiation and apply some of the concepts and tools featured in the course. While students are not required to write about a personal negotiation/conflict (e.g., analyses of well-known negotiations or conflicts are acceptable), they are strongly encouraged to consider a situation in which they have personally played a role. While the details of any given case are important to note and consider, another

goal is to coax some larger and more enduring lessons (e.g., good practices) that may be applied elsewhere.

Students who choose to write a real-world negotiation analysis are encouraged to consult with the professor regarding their topic. Papers typically range from 6 to 8 double-spaced pages. Real-world analyses are **due Monday, April 20, 6 pm.**

PART 1: TWO-PERSON NEGOTIATIONS			
Date	Class		Points
	Due (before first session): Online assessment assignment		6
	Session 1 - Introduction		9
01/27	Recommended further reading	- <i>Getting to Yes</i> , Chapter 6 - <i>Essentials of Negotiation</i> , Chapter 1	
	Session 2 - Distributive Bargaining		9
02/03	Recommended further reading	- <i>Getting to Yes</i> , Chapter 8 - <i>Essentials of Negotiation</i> , Chapter 2	
	Session 3 - Positional Bargaining		9
02/10	Due (before session): Distributive Action Planning assignment		6
	Recommended further reading	- <i>Getting to Yes</i> , Chapters 1-3 - <i>Constructive conflict</i> (Follett)	
	Session 4 - Multi-issue Bargaining, Part 1		9
02/17	Recommended further reading	- <i>Getting to Yes</i> , Chapters 4-5 - <i>Essentials of Negotiation</i> , Chapters 3 - <i>Know your objectives</i> (Benoliel & Cashdan)	
	Session 5 - Multi-issue Bargaining, Part 2		9
02/24	Due (before session): Excel worksheet model for negotiation		3
	Recommended further reading	- <i>Essentials of Negotiation</i> , Chapter 4 - <i>Scoring a Deal</i> (Ames, Larrick, & Morris)	
PART 2: NEGOTIATION DYNAMICS AND BARGAINING CONTEXTS			
	Session 6 - Modes of Communication		9
03/02	Due (before session): Integrative Action Planning assignment		6
	Session 7 - Trust, Deception, and Interpersonal Styles		9
03/09	Due (before session): Email Analysis assignment		6
	Recommended further reading	- <i>Essentials of Negotiation</i> , Chapter 11 - <i>Your bargaining style</i> (Shell) - <i>Why you need to ask</i> (Babcock & Laschever)	
PART 3: BEYOND DYADS			
TBD	Session 8 - Special Joint Session with Law School, Friday 10am*		9
	Due (before session): Interpersonal Action Planning assignment		6
	Session 9 - Mediation, Agents, and Third Parties**		9
03/30	Recommended further reading	- <i>Difficult Conversations</i> , Chapters 1-6 - <i>Essentials of Negotiation</i> , Chapter 5 - <i>Confronting lies and deception</i> (Malhotra & Bazerman)	
	Session 10 - Coalitions		9
04/06	Recommended further reading	- <i>Difficult Conversations</i> , Chapters 7-12 - <i>Multiple parties, coalitions, and teams</i> (Thompson) - <i>Get all the parties right</i> (Lax & Sebenius) - <i>Map the players, change the game</i> (Ames)	
	Session 11 - Team Negotiation		9
04/13	Due (before session): Excel worksheet model for negotiation		3
	Due (by 6 pm): Final Paper		12
	Recommended further reading	- <i>Getting to Yes</i> , "In conclusion" - <i>Essentials of Negotiation</i> , Chapter 12 - <i>A primer on personal development</i> (Ames, Mason, & Carney)	
04/20	Session 12 - Conclusion		9

	Due (by 6 pm): Real-world Negotiation Analysis (<u>Optional</u> assignment)	12
*This is outside of regular class time (a <u>Friday morning</u>), the only time we can do the joint session. If you cannot make it, there will be a makeup assignment. **This may come before the Special Joint Session, TBD		

RECOMMENDED FURTHER READING

These readings will be made available on the course website (Canvas).

Author(s)	Reading
Benoiel, Michael and Cashdan, Linda	“Know your objectives” (Chapter 2 from <i>The Upper Hand</i>)
Ames, Daniel, Larrick, Richard, & Morris, Michael	“Scoring a deal: Valuing outcomes in multi-issue negotiations” (<i>Columbia CaseWorks</i> article)
Follett, Mary Parker	“Constructive conflict”
Shell, G. Richard	“The first foundation: Your bargaining style” (Chapter 1 from <i>Bargaining for Advantage</i>)
Babcock, Linda and Laschever, Sara	“Why you need to ask” (Chapter I from <i>Ask for It</i>)
Watkins, Michael	“Managing conflict” (Chapter 7 from <i>Breakthrough Business Negotiation</i>)
Malhotra, Deepak and Bazerman, Max	“Confronting lies and deception” (Chapter 9 in <i>Negotiation Genius</i>)
Thompson, Leigh	“Multiple parties, coalitions, and teams” (Chapter 9 in <i>The Mind and Heart of the Negotiator</i>)
Lax, David and Sebenius, James	“Get all the parties right” (Chapter 4 from <i>3D Negotiation</i>)
Ames, Daniel	“Map the players, change the game: Evaluating who is—and should be—involved in deals and decisions” (<i>Columbia CaseWorks</i> article)
Ames, Daniel, Mason, Malia and Carney, Dana	“A primer on personal development” (<i>Columbia CaseWorks</i> article)