

Times and Location:

- ✓ Tue. 9:00am-12.15pm (Uris 307)
- ✓ Tue. 2:15 – 5:30pm (Uris 307)
- ✓ Wed. 9:00am-12.15pm (Uris 307)

Office Hours: By appointment (716 Uris Hall)

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; and
- ✓ 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. It will 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 bargaining table.

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 steps 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 with in 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.

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. Therefore, this course is highly interactive and provides continuing opportunities for hands-on practice, including feedback, discussion, and occasions for reflection.

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.

Through these 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.

Attendance

Because this course is experiential, attendance at class sessions is essential. This is not just because I want you to get the most out of this class, but also because most sessions involve pairs or groups of students working together. Being absent without prior notice, hence does not only hurt your own learning experience, but also that of your fellow classmates.

Thus, attendance is required for all class sessions. Absences will carry a grade penalty (see grading).

Policy for attending different sections I teach:

If you would like to attend one of my other sections, you need permission to do so (except for Session 4 and 11 which cannot be changed). Please email our TA Divyani Kothari with a week notice to be sure to give yourself the best chance of being able to move to another session.

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. Students who do additional readings tend to get more out of the course because the readings reinforce what we learn in class. Selected readings will be provided through the course's Canvas page. In particular, I encourage you to consider these books:

- Fisher, Ury, and Patton, *Getting to Yes: Negotiating Agreement Without Giving In* (Penguin, 2011; ISBN-13: 9780143118756)
- Lewicki, Barry, and Saunders, *Essentials of Negotiation – 6th Edition* (McGraw-Hill, 2015; ISBN-13: 978-0077862466)
[NOTE: this is not the same as Lewicki, Saunders, and Barry's volume, *Negotiation*]
- Stone, Patton, Heen, & Fisher, *Difficult Conversations: How to Discuss What Matters Most* (Penguin, 2010; ISBN-13: 978-0143118442)

Grading

There will be no exams, and I keep assignments minimal. Instead, I ask for active participation in class. Part of this participation will involve preparing for negotiations in advance, reflecting on exercises, building models, and completing assignments that ask you to reflect on your development. Please note that a large portion of the grade is dedicated to attendance. My grading scheme reflects the importance I place on active hands-on-learning, and as such there is no way to make up for missing a class.

Attendance and participation (40% of your grade).

You are expected to attend all modules. Please note that attendance in the first session is mandatory for the Managerial Negotiations elective.

If you cannot attend a specific class or expect to be late, please notify us of your absence. Specifically, please email the TA Divyani Kothari at dkothari19@gsb.columbia.edu.

Because many sessions revolve around role-plays in which partners are assigned in advance, an unexpected absence typically has negative effects on other students in the class. Accordingly, unexcused absences and/or absences without notification will result in a loss of participation points.

Participation includes both active, substantive involvement in role-play simulations and discussion and comments in class (quality is more important than quantity).

Assignments (30% of your grade)

Please upload all assignments to Canvas **in advance** of their deadline. More information about all of the assignments is available via the Canvas website. All students are expected to do the following:

- (1) Online Assessment.** Please complete the online survey by **January 20, 11:59pm**. (Approximate completion time: 15 minutes).
- (2) 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 Module 1**. 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: 45 minutes).
- (3) Excel Model.** This assignment needs to be completed and uploaded to Canvas in preparation for Module 4, **by Feb 19/20 at 9am**. The goal is to help you think through the case and prepare a spreadsheet that will help you evaluate deals on the fly. (Approximate completion time: 45 minutes)
- (4) “Score a Deal” Exercise.** This assignment is 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. It is something we will **do in class** in Module 6. Please answer the four questions, using the Ames et al. “Scoring a Deal” handout as a guide. The assignment is due by **Mar 5th/6th at 11:59 pm**. Upload your responses to Canvas before leaving class. (Approximate completion time: 45 minutes).

- (5) Action Plan Document.** Based on your individualized feedback report that outlines your personal negotiation style, you should develop an action plan for self-development. Pick one behavior that

you would like to change in the next negotiation and describe how you are going to achieve this change. The assignment is due by Module 7, **March 26th/27th by 8am**. Upload your responses to Canvas before leaving class. (Approximate completion time: 15 minutes).

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

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 **May 10th, at 5 pm** (one week after we finish class) 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. The final paper should be 5-7 pages, double-spaced.

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

Final Project (10% 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 **May 17th at 5pm** (two weeks after our final session). Please note: The final project is your chance to show me that you want an H. Therefore, I will not accept late submissions under any circumstances.

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 negotiation dynamics
- *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.
- *Personal development plan*. Analyze yourself as a negotiator, taking stock of strengths and areas for development, based on your experience in and beyond the class. Map out concrete plans for development. See the *Primer on Personal Development* for suggestions (discussed in Module 5).

General note on late submissions:

Need to hand in something late? No need to ask for an extension! Just be aware that I subtract one point per every day an assignment is late. The exception to this rule is the final project, and models that you need to develop in advance of negotiations, and the Action Planning Assignment, which must be completed on time as it is the source for an activity that week.

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. One of the highlights of this class (at least that's what previous students have told me) is a personalized feedback report that you will receive in the middle of the course. This feedback report is based on your responses to short questionnaires during class. It will give you insights into how your fellow classmates perceive you during negotiations and give you feedback on your personal strengths and areas for improvement.

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 instructors 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.

Overview of Course Modules

Modules	Date (Time)
M1: Introduction & Bargaining Zone	Tuesday, Jan 29/ Wednesday, Jan 30
M2: Value Claiming	Tuesday, Feb 5/ Wednesday, Feb 6
M3: Interest-Based Bargaining	Tuesday, Feb 12/ Wednesday, Feb 13
M4: Creating & Claiming Value	Tuesday, Feb 19/ Wednesday, Feb 20
M5: Conflict Resolution & Trust/Deception	Tuesday, Feb 26/ Wednesday, Feb 27
M6: Negotiation Dynamics & Feedback	Tuesday, Mar 5/ Wednesday, Mar 6
M7: Mediation	Tuesday, Mar 26/ Wednesday, Mar 27
M8: Principals & Agents	Tuesday, Apr 2/ Wednesday, Apr 3
M9: Coalitions	Tuesday, Apr 9/ Wednesday, Apr 10
M10: Joint Law School Session	Date TBD
M11: Multi-Issue, Multi- Party Negotiations	Tuesday, Apr 23/ Wednesday, Apr 24
M12: In Conclusion	Tuesday, Apr 30/ Wednesday, May 1

Summary of Assignments and Deadlines

Due Date	Item
By January 20 at 11:59pm	Self Assessment Survey
By Module 1 (Jan 29/30, 9am)	Hardball Tactics
After Module 3 at 11:59pm	<i>Score a Deal</i> Exercise (will do in class)
By Module 4 (Feb 19 th /20 th , 9 am)	Deal model for <i>Park Bar</i> case
By Module 7 (Mar 26 th /27 th , 9am)	<i>Action Plan</i> Document
May 10 th , 5 pm	"Go Get a Deal" report
May 17 th , 5 pm	Optional Final Project

Module Details

Module 1: Introduction & Bargaining Zone

Optional Readings: Lewicki et al., "The Nature of Negotiation", Ch. 1
Fisher et al., Ch. 6

Module 2: Value Claiming

Optional Readings: Lewicki et al., "Strategy and Tactics of Distributive Bargaining", Ch. 2
Fisher et al., Ch. 8

Module 3: Interest-Based Bargaining

Optional Readings: Lewicki et al., "Strategy and Tactics of Integrative Negotiation", Ch. 3
Fisher et al., Ch. 1-4

Assignment: Prepare model for *Park Bar* case (M4)

Module 4: Creating & Claiming Value

Optional Readings: Lewicki et al., "Negotiation: Strategy and Planning", Ch. 4

Module 5: Conflict Resolution & Trust/Deception

Optional Readings: Stone et al., *Difficult Conversations*
Lewicki et al., "Third-Party Approaches to Managing Difficult Negotiations,"
Ch. 19

Module 6: Negotiation Dynamics & Feedback

Required Readings: Ames et al., "Scoring a Deal: Evaluating Outcomes in Multi-Issue
Negotiations"
Lewicki et al., "Individual Differences II: Personality and Abilities," Ch. 15

Assignment: *Score a Deal* Assignment (will do in class in M6)
Action Plan Document (due by M7)

Module 7: Mediation

Optional Readings: TBD

Module 8: Principals & their Agents

Optional Readings: Lewicki et al., “Agents, Constituencies, Audiences,” Ch. 11

Module 9: Coalitions

Optional Readings: Lewicki et al., “Coalitions”, Ch. 12
Ames, “Map the players, change the game”

Module 10: Joint Law School Session

Optional Readings: TBD

Module 11: Multi-Party, Multi-Issue Negotiations

Optional Readings: Lewicki et al., “Multiple Parties & Teams”, Ch. 13

Module 12: Wish-list topic, Conclusion

Optional Readings: Lewicki et al., “Best practices in Negotiations, Ch12
Fisher et al., “In Conclusion”

Assignment: Go Get A Deal report (due May 10th at 5pm)
Optional Final Project (due May 17th at 5pm)