

MBA 252: Negotiation and Conflict Resolution

Spring 2016

University of California, Berkeley
Haas School of Business

University of California
Berkeley
Haas School of Business

Professor: Juliana Schroeder
Office: F526
Office hours: By Appointment

Phone: (510) 664-9692
jschroeder@haas.berkeley.edu

GSI: Sarah Tomec
Office Hours: By Appointment

sarah_tomec@berkeley.edu

COURSE OVERVIEW

Negotiation is the art and science of securing agreements between two or more parties who are interdependent, and who are seeking to maximize their outcomes. The central issues of this course deal with understanding the behavior of individuals, groups and organizations in the context of cooperative and competitive situations.

The purpose of this course is to understand the theory and processes of negotiation so that you can negotiate successfully in a variety of settings. The course is designed to be relevant to the broad spectrum of negotiation problems that are faced by managers and professionals. A basic premise of this course is that while a manager needs analytical skills to discover optimal solutions to problems, a broad array of negotiation skills is also needed to get these solutions accepted and implemented. The course will allow participants the opportunity to develop these skills experientially and to understand negotiation in useful analytical frameworks. If you take advantage of everything that this course has to offer, you will be comfortable and adept in many of your future negotiations.

COURSE OBJECTIVES

- Improve your ability to negotiate effectively
- Improve your ability to analyze negotiation situations and others' behavior, evaluate alternatives and apply the most appropriate tactics
- Develop a strategic plan for effective negotiations
- Develop a tool box of tactics
- Gain confidence as a negotiator
- Gain a greater understanding of yourself, your strengths and your weaknesses

COURSE FORMAT

A series of negotiation exercises is central to this course. The class will also include lectures, videos and class discussions. While the class officially meets at scheduled course times, students will be expected to meet with other students outside of class to prepare for and execute certain negotiation exercises and assignments.

COURSE REQUIREMENTS

1. PARTICIPATION, PREPARATION AND FEEDBACK (55 points)

PARTICIPATION (20 points): You are expected to participate in all class discussions and negotiation exercises as they are the central component of the course. Learning in this class relies as much on your participation as it does on textbook knowledge and on the professor's knowledge.

Much of what you will learn results from your own attempts to negotiate in class and from other students' analysis of your and others' negotiation approaches. This class will be most effective with vigorous participation from each class member. Participation means the following:

- **You are expected to participate in every class negotiation and discussion.** Your absence from class disrupts the learning experience for yourself and for your classmates. Your partner(s) cannot participate fully in the lesson if you are absent or come to class unprepared. **You are permitted to miss ONE class day** without penalty if you notify the professor of your absence or the potential to be absent via email 24 hours in advance of class. On days where an exercise is assigned, you also must arrange for a substitute when substitutes are available or arrange with your partner to negotiate outside of class. Be sure to notify the professor of any substitutions. An unexcused absence will result in a loss of 10 points to your participation grade.
- **Preparing thoroughly for the exercise is important for everyone's learning.** Not being prepared is the same as an unexcused absence. See preparation below for more details. Arriving after the exercise has started is also considered an unexcused absence because your partner will not have enough time to complete the exercise or has been re-assigned to observe another team. It is important to arrive on time for the exercise in order for all parties to fully participate. You should try your hardest to do well for yourself in every negotiation.

No Electronic Device Policy:

A mutually supportive learning environment depends on active attention and engagement. For this reason, no laptops, phones, or any electronic devices are allowed during classroom sessions. The value of legitimate use of laptops or other electronic devices is far outweighed by the distraction that they create for your classmates and the overall learning environment.

Negotiation Roles

There will be a negotiation exercise conducted every week. The roles and partner assignments will be distributed via iDecision Games. **You are responsible for downloading and printing your role. It is considered unprepared if you do not have a copy of your role in class the day of the negotiation.** Electronic devices are not allowed during negotiations except for calculators.

Being an Observer/Substitute

If you are assigned as an observer/substitute for an exercise, **you are to wait** to be contacted by a classmate needing a substitute before receiving the role specific information. Role specific information will be available for download after both you and the professor have been notified of the substitution. If you are not contacted to substitute prior to class, you are expected to attend the negotiation session and observe an assigned group in order to give them feedback.

PREPARATION (20 points): Pre-negotiation planning and preparation is a critical aspect to any negotiation. Preparation means the following:

- **You are expected to be prepared for every class negotiation.** You should read the assigned readings and role information provided PRIOR to the exercise. You are also expected to submit a planning document for each negotiation. No late planning documents will be accepted.

FEEDBACK (15 points): Feedback is important for continued growth as a negotiator.

- **You are expected to contribute to class discussions.** You will be evaluated upon the quality of your contributions and insights. Expect to be called upon in class. Quality comments possess one or more of the following properties:
 - Identify what strategies were effective or ineffective and why this was the case
 - Offer a different/unique, but relevant perspective based upon analysis and theory
 - Contribute to moving the discussion and analysis forward
 - Build on others' comments
 - Link relevant concepts to current events
- **You are expected to give verbal and online feedback to your negotiation partner(s) immediately after completing the negotiation exercise.** You should give at least one piece of positive feedback and one piece of improvement/constructive feedback. You and your partner will complete a very short feedback survey at the end of each class on Qualtrics. You will then debrief the feedback with your partner. A compilation of the partner feedback will be distributed midway through and at the end of the course
- **You will also be required to report your negotiation outcomes after every negotiation** on iDecision Games. The feedback will help you to identify what strategies/tactics were effective, ineffective and why, what behaviors were helpful or acted as an impediment to the process, etc. Post negotiation questions will be discussed in the class debriefing. Please note that providing post negotiation evaluation is mandatory.

2. ANALYSIS PAPERS (45 points)

You will have five individual papers to complete during this class: a real-world negotiation analysis, three in-depth analyses of your negotiation experience, and a feedback analysis paper.

Negotiation Evaluation Papers (15 points):

Each paper should be two (2) pages, and will analyze one of two possible negotiation exercises (see the class calendar). Each paper is worth 5 points. Your paper should include a simple description of what happened during the negotiation. It should focus primarily on analysis (insights gained from the negotiation which are integrated with relevant course concepts) and action (key takeaways and their implications for your future behavior, particularly examples of real world situations you might encounter).

Feedback Analysis Paper (15 points):

This paper should be three (3) pages, and will analyze the feedback that you are given midway through the class. The purpose of this paper is to encourage you to reflect on your behavior, strategies and tactics during your negotiations. **You should actively engage with the feedback you receive in your mid-semester report: for example, do you agree with your classmates' comments? Were you surprised by their feedback?** The paper should help you to gain insight about what behaviors are effective/ineffective for you in a negotiation, and allow you to give yourself prescriptive advice of what you should continue to do and what you should improve upon for your future negotiations.

The analysis allows me to monitor your understanding of concepts introduced, your understanding of the readings, as well as your skill acquisition. More importantly, however, it provides a means for you to analyze your own abilities and to work on improving your skills.

Real-World Negotiation Analysis Paper (15 points):

This paper should be two (2) pages, and will analyze a real life negotiation. You can choose one of the following topics:

1. **Prepare a strategy** for your upcoming real life salary/compensation, workplace negotiation, or any other meaningful life negotiation.
2. **Re-negotiate** your rental agreement, work responsibilities or any other meaningful issues.
3. **Analyze a past negotiation** where you made many strategic mistakes or were very successful.
4. **Negotiate in a non-traditional setting** for something meaningful and challenging.

Your paper will be graded on the depth of analysis, self-insights and application of concepts learned in class. **Be sure to select a negotiation experience complex enough to allow for depth of analysis and personal insights.** The paper should include no play-by-play of the actual negotiation and instead only one sentence describing what was negotiated.

Questions for Analysis—this is not a template but questions to help stimulate depth of analysis

1. Self-analysis: What tactics and strategies in your negotiations (be specific) were effective/ineffective? **WHY?** (ANSWERING “WHY” IS THE MOST IMPORTANT PART OF YOUR ANALYSIS). Did

your approach help you, how so? Did it hurt you, how so? How did your process compare with the predictions of various writings on negotiation? How come your outcome differed from those of the other class members?

2. Address personal insights about how your personality or past experiences may affect your choice of strategies or implementation of tactics. Give yourself prescriptive advice. What did you learn from the exercise and what will you do differently next time?

Your grade for the analysis paper is *not* a function of your performance on the exercises as a negotiator. Rather, it is a function of how well you reflected upon your performances and showed self- insight.

Criteria for Grading Analysis Papers

- **Critical Thinking.** This means not only determining how a behavior was effective or ineffective and why, but also realizing the inherent tradeoffs of all actions taken. Every choice has assumptions and future implications. What are they?
- **Depth.** Compare, contrast and integrate different theories/concepts together in your analysis to explain behavior. Often when analyzing complex interactions, several behaviors can be identified and evaluated for their impact on the negotiation. Do not just drop buzzwords.
- **Organization.** Your papers should be well-written. A well-written paper makes clear points, flows logically and smoothly, and contains no typos or grammatical errors. Verbosity, redundancy and abrupt transitions will only obscure your points.
- **Perceptiveness.** Evidence of insight, analysis, and reflective thinking about the negotiation, yourself, and others.
- **Learning.** Explicitly address what you would do differently and why.

PAPER FORMAT:

For fairness to ALL, please format your paper as follows. Your grade may be affected if you do not conform to these formatting guidelines.

- Double-space with 12 point Times New Roman font and 1 inch margins.
- On each page, include i) page numbers and ii) **only** your student ID number. Do **NOT** include your name on any page. The GSI will identify you by your student ID number.
- **All papers must be printed and submitted in hard copy to the GSI. They will be returned to your MBA mailbox.** Please make an appointment with the GSI if you have any questions or concerns about the comments and grade.

Late Paper Policy: Any late assignment will have a point deduction of 2 points for each day that it is late. Assignments are due at the beginning of class. Any exceptions must be discussed **PRIOR** to the due date. Planning documents will not be accepted late.

SIMULATION EXERCISE RULES:

The following rules are necessary to ensure a positive learning experience for all students:

1. You are expected to be prepared and on time for all negotiation exercises.
2. You may not show your confidential role instructions to the other side until the negotiation is finished, although you are free to tell the other side whatever you would like about your confidential information.
3. Do take on the interests stated in your role sheet. You can be creative in finding solutions as long as they are aligned with your interests and are plausible.
4. You always have the authority to make a deal so don't delay making an agreement by saying you will have to check with your boss.
5. You are always free to not make a deal if you think it would be a bad agreement.
6. You may use any strategy to reach an agreement, except sexual harassment and physical violence. Experimentation of tactics is encouraged.

CHEATING POLICY:

The following behaviors constitute cheating in this class:

1. Reading anyone else's confidential role information for an exercise before or during the negotiation of that exercise—it is fine to read the other role after the exercise
2. Consulting current and former students about the exercise, exam, or any other class assignments or looking up information on the Internet
3. Plagiarism. Cheating on an assignment will minimally result in 0 points on that assignment and an incident report filed with the Office of Student Conduct.

Required Readings:

- Thompson, Leigh (2007). The Mind and Heart of the Negotiator. 5th edition. Prentice Hall
- Ury, W. (1991). Getting Past No. New York: Penguin.
- Course Reader available at Study.Net (see Appendix A).

Recommended Reading:

- Shell, G. Richard and Moussa, Mario (2009). The Art of Woo. Penguin.
- Malhotra, D. and Bazerman, M. (2008). Negotiation Genius. Bantam.

You should read the assignments prior to the exercise scheduled for the same date

Negotiation Exercise Schedule

	<i>Topic</i>	<i>Readings due today (on Study.net unless otherwise noted)</i>	<i>Due today</i>
WEEK 1 January 19/21	FUNDAMENTAL NEGOTIATION SKILLS Exercise today: Yerba Mate	- Ch.1 Negotiation: The Mind and The Heart - Ch.3 Distributive Negotiation: Slicing The Pie	Log onto iDecisionGames.com, read Yerba Mate case, and complete pre-survey.
WEEK 2 January 26/28	INTEGRATIVE NEGOTIATIONS Exercise today: New Car	- Ch. 2 Preparation - Ch. 4 Win-Win Negotiations : Expanding the Pie	Complete Preparation Worksheet for New Car prior to class.
Week 3 February 2/4	SALARY NEGOTIATION Exercise today: Salary Negotiation and Tech Now	- Pgs. 370-378 Negotiating a Job Offer (Thompson) - 15 Rules for Negotiating Your Job Offer - Negotiating a Salary or Raise in a Tough Economic Crisis - Seven Strategies - How to Negotiate with VCs	Complete Preparation Worksheets for Salary Negotiation & Tech Now prior to class.
WEEK 4 February 9/11	COOPERATION AND COMPETITION Exercise today: The Grand Strand	- Dealing with the “Irrational” Negotiator - Negotiating from a Position of Weakness	Complete Preparation Worksheet for The Grand Strand prior to class. *REAL WORLD NEGOTIATION* – submit paper before class starts
WEEK 5 February 16/18	CROSS-CULTURAL NEGOTIATIONS Exercise today: The Mexico Venture	- Ch. 10 Cross Cultural Negotiation - John Wayne Goes to Brussels	Complete Preparation Worksheet for The Mexico Venture prior to class.
Week 6 February 23/25	POWER IN NEGOTIATION Exercise today: Myti-Pet Food	- Pgs. 240-250 Team Negotiation (Thompson) - Pgs. 102-124 Interests, Rights, Power/Emotions (Thompson) - Getting Past Yes: Negotiating as if Implementation Mattered	Complete Preparation Worksheet for Myti-Pet prior to class. *First Negotiation Evaluation paper due (on Grand Strand or Mexico Venture)* - submit paper before class starts
WEEK 7 March 1/3	AGENCY, CONTRACTS AND TRUST Exercise today: Bullard Houses	- Ch.6 Establishing Trust and Building a Relationship - Pgs. 351-360 Nonverbal Communication and Lie Detection (Thompson)	Complete Preparation Worksheet for Bullard Houses prior to class.

		<ul style="list-style-type: none"> - When is it Legal to Lie - Confronting Lies and Deception 	
WEEK 8 March 8/10	SHADOW NEGOTIATIONS, SOCIAL INFLUENCE, & COALITION FORMATION Exercise today: Fastskin	<ul style="list-style-type: none"> - Ch. 7 Power and Persuasion, and Ethics - Ch. 12 Negotiating via Information Technology - Six Channels of Persuasion and Assessment - Influence Without Authority 	<p>Complete Preparation Worksheet for Fastskin prior to class.</p> <p>*Second Negotiation Evaluation paper due (on Myti-Pet or Bullard Houses)* - submit paper before class starts</p>
WEEK 9 March 15/17	USING OR BEING AN AGENT Exercise today: Goliath	<ul style="list-style-type: none"> - Pgs. 231-239 Principal-Agents Negotiation (Thompson) - How to Be Sure Your Agent Gets You the Best Deal 	<p>Complete Preparation Worksheet for Goliath prior to class.</p> <p>*FEEDBACK ANALYSIS PAPER*-- submit paper before class starts</p>
SPRING BREAK March 22/24			
WEEK 10 March 29/31	NEGOTIATING IN CROSS-FUNCTIONAL TEAMS Exercise today: Best Stuff on Earth	<ul style="list-style-type: none"> - Cross-Functional Team Negotiations 	<p>Complete Preparation Worksheet for Best Stuff on Earth prior to class.</p> <p>*Third Negotiation Evaluation paper due (on Fastskin or Goliath)* - submit paper before class starts</p>

APPENDIX A

Student Instructions

Welcome. If you have any questions regarding the use of Study.Net, please send an e-mail to customerservice@study.net or call Study.Net at: (888) 462-0660 or (954) 294-0412.

To use Study.Net, you must first register as a student. If you have already registered, simply login with your e-mail login and password. If not, there is a link on the Study.Net home page that takes you to the registration page. Your registration will provide you with a login and password.

If your instructor is using Study.Net for the delivery of electronic course materials, you may log in at any time to view, print, and/or save these materials. Please make sure to download any readers or software applications that are needed to view your online course materials.

1. Go to: <http://www.study.net>. If you have already registered as a Study.Net user, login and click on the **New Course Enrollment** button. Select your school and course; then click on the **Continue** button to start the order process.
2. If this is your first time using Study.Net, register as a student to obtain a login and password. After registration, select your school and the appropriate course listing to start the order process. The temporary password is bears.
3. To purchase course materials, complete the billing and shipping information and print a receipt after your transaction has been processed.
4. To access any prepaid course materials, enter the "course password" when requested and complete the material purchase process.
5. To order a printed version of your online course materials, select this option during the order process. Make sure that your shipping address is correct. All printed TEXTPAK orders are processed in 24 hours and shipped by USPS Priority Mail for delivery within 2-3 days.
6. To use Study.Net, please disable any pop-up or ad blockers and allow for the use of cookies.
7. To view online course materials at any time, login with your e-mail login and password; click on the **My Courses** button; highlight your selected course name; and then click on the **View** button to view that particular course. To view individual course materials, click on the **Materials** link on the left hand side of the course page and then the name of the material that you want to view.
8. After selecting a material to view, a timer box will appear with the approximate download time. For large files, or slow Internet connection speeds, downloads may take longer than indicated by the timer box.
9. Links to upgrade your browser and download any required software applications are available on the Study.Net home page. Study.Net is best viewed with version 6.0 or higher of Internet Explorer or Netscape Communicator.