Preliminary Syllabus

Professor: Elizabeth Boyle, dboyle@stern.nyu.edu, Tisch 706
Office Hours: Wednesdays, 5:00-6:00 and by appointment

Teaching Fellow:

Course Description

Negotiation is the art and science of securing agreements between two or more parties who are interdependent and seek to maximize their outcomes. We negotiate daily with potential employers, co-workers, bosses, landlords, merchants, service providers, partners, parents, children, friends, roommates, and many more. Although we negotiate often, many of us know very little about the strategy and psychology of effective negotiation. As a manager you not only need analytical skills to discover optimal solutions to problems, you also need good negotiation skills to get these solutions accepted and implemented.

The learning method is experiential. You will prepare for and simulate a variety of negotiations. The skills you develop will serve you in both your personal and professional life. Unlike real life, you will have access to three unique sets of data:

1. How you performed relative to others who had the same role, information, and objectives
2. How successful you were in maximizing the potential “pie” in the negotiation
3. How you were perceived by the other party

If you had this information in every negotiation you faced, imagine how quickly you could improve your “Return on Mistakes” and your performance. Expect to see a huge spike in your ROM in this class.

Course Objectives

1. Understand and absorb a set of concepts integral to preparing, negotiating, and evaluating the negotiation process and outcomes, including:
   - BATNA and Reservation Price
   - ZOPA or Bargaining Zone
   - Value Creation
   - Value Claiming
   - Aspiration
   - Interests, Issues, and Positions
   - Complementary, Distributive, and Integrative Issues
   - Coalitions

2. Develop your ability to negotiate effectively by
   - Understanding your own strengths and weaknesses as a negotiator and overcoming personal barriers
   - Preparing effectively
   - Identifying opportunities for integrative solutions
   - Communicating persuasively in the face of resistance
   - Adapting your tactics to the circumstances
• Knowing how to determine whether you have reached a good outcome in a negotiation

3. Improve at least one situation in your life through negotiation between now and the end of the course.

**Materials**

1. **TEXT**: Available at the Professional Bookstore, Amazon, and many other bookstores.

   **Required**:  
   *Bargaining for Advantage*, G. Richard Shell, Penguin. I won’t make much explicit reference to the text in class, since it’s a pretty easy read and designed to provide us with a common starting place. If you have questions about anything you read or about how to apply it, please ask in class or our discussion board.

   **Recommended** – Read these if you liked *Bargaining for Advantage* and want more:  
   *Negotiation Genius*: Deepak Malhotra & Max Bazerman, Bantam.

2. **CLASS EXERCISE (CASE) MATERIALS**: The exercises we use in this course are copyrighted and there is a fee for their use. The cost is $17.50 and must be paid by check, made out to NEW YORK UNIVERSITY. Please mail bring your check to our first class. I will hand out the cases in class as we need them.

**Evaluation Criteria**

*Attendance & Class Participation (25%).* In this course, much of the learning comes from doing and class participation is a reflection of the extent to which you have contributed to the learning of the group. Attendance and participation in all negotiation exercises and follow-up debriefings are mandatory. Lack of preparation for an exercise is treated as an absence for that exercise.

The only exceptions are for religious or civic obligation, serious family emergency, or serious illness. If this is your situation, just give me a brief note explaining the matter as soon as you reasonably can.

If you must miss a class, please notify me at least 48 hours in advance. This is important because I often create teams for the exercises in advance and must know who will be in class. It is your responsibility to review the content you missed (lecture slides will be posted in Blackboard).

I expect you to be fully prepared each class to discuss assigned readings and simulations, to be active in our in-class exercises, and thoughtful in your contributions and questions. I also encourage you to post in Blackboard. If you do, I will evaluate your contributions there as part of your class participation grade. To help determine your grade for class participation, I rely in part on your own assessment which I ask you to complete at the end of the course. The form will be posted in Blackboard and will ask you the degree to which your participation and the participation of others was active, thoughtful, helpful, and consistent.

Immediately following each negotiation (except Virtual Victorian and Harborco) you will complete a *Negotiation Feedback Form* for each of the other parties. We have found that feedback is most valuable when it is formulated as soon as possible after the event. Of course your feedback should be thoughtful, constructive, polite, and respectful. Most students find the feedback they receive and the experience they have giving it to others to be one of the most useful elements of the course.

You will be negotiating one case – Virtual Victorian – outside of class, using only e-mail to communicate (see the course outline for the dates). You will very likely need the whole week to complete this negotiation so get started as soon as we give you your role. I will collect one sales contract from each
team at the beginning of the class in which we are scheduled to discuss the case (sales contract copies are attached to the Agent roles and should be completed by them). Your e-mail communications are due that evening. After the first e-mail message, whenever you write, be sure to reply to the message you just received or forward your last message (if you were the last one to write). That way, at the end, you will have the entire communication record in one place. Copy that e-mail into a Word document, save it with the name indicated below, and submit it on Blackboard no later than 10:00 PM of the day we discuss the case in class. Note that Buyers and Sellers will have one document each (their communications with their Agents) and the Agents will have two documents each (their communications with their client and with the other agent). Please save your documents using the following naming convention:

[your last name]-[your role]-[the other person's role].doc

For example, if I were the Seller's Agent, I would submit the following two documents:
Boyle-Seller Agent-Seller.doc
Boyle-Seller Agent-Buyer Agent.doc

Planning documents (10%). Preparation is a major determinant of success in negotiations. One of the goals of this course is to help you develop a systematic approach to preparing for negotiations. In preparation for the role you will play in each negotiation, you will submit a one-page Planning Document. You will complete some of these in class, but the others are due in Blackboard before you do the negotiation in class, as indicated in the course outline. Use the form posted in the Assignments section of Blackboard. The more complete your information, the more control you will be able to assume over your own actions and reactions during the negotiation. When you don’t have information about the opponent you should make the best guess you can. Exceptional Planning Documents will receive a 9+ (this is rare). Others will receive a 9.

Two post-negotiation analyses (30%). Pick any two of our negotiations, except Rudolph-Lama and Harborco, on which to write Post-Negotiation Analyses. They are due in the Assignments section of Blackboard by the time indicated in the course outline. These analyses will help you reflect on how you handled the negotiations, give me a sense of your individual progress, and indicate your ability to analyze your own strengths and weaknesses. Post-negotiation analyses will be graded on the basis of depth and how well you use class concepts and strategies to evaluate the process and outcome of your negotiation. DO NOT simply summarize what happened during your negotiation. Describe only enough of what happened so your analysis makes sense. Be sure to answer the following questions:

• What were the key aspects of your preparation with which you were pleased? Why? How might you have been better prepared?
• About what aspects of your at-the-table negotiating were you particularly pleased? Why?
• What could you have handled better during the negotiation? How?
• What are the things the other party did that were particularly effective? Why were they effective?
• What are the key things you learned about negotiation from this exercise?

A good analysis will integrate the theories of the class with what happened during your negotiation and describe how you can apply what you have learned to future negotiations. Be as honest as possible in your analysis and integrate concepts from class and the readings.

Each analysis must be written in essay format (not bullet points) and be NO MORE than 600 words in length. Writing quality counts, so take care to be organized, clear, and concise (you can see exactly how we grade them in the Post-Negotiation Analysis Folder in Blackboard).

Final examination (35%). The take-home final exam will be available shortly after the last class and is due in Blackboard as indicated on the course outline. Details will be provided.

Deadlines. If you miss a deadline for a written assignment, we will deduct a half grade for each day it is late (for fractions of a day, we round up). The only exception is for religious or civic obligation,
serious family emergency, or serious illness. Just give me a note as soon as you reasonably can. Please do not ask for exceptions for other reasons.

Honor Code

During orientation, you signed the Stern MBA Honor Code, promising not to “lie, cheat or steal to gain an academic advantage, or tolerate those who do” (http://w4.stern.nyu.edu/scorp/committee.cfm?doc_id=4797). The Honor Code applies to your conduct in all classes, including this one. Suspected infractions will be referred to the MBA Judiciary Committee.

Important Information about Exercises

In most cases, you will receive role information prior to the in-class exercise to give you a chance to prepare. Also, for many of the exercises, you will receive confidential instructions. Do not show these instructions to others. During the exercise, you may choose to reveal or discuss some of your confidential information, but please do not allow others to see the confidential instruction sheets themselves. This rule largely mirrors reality, as in most negotiations it is a challenge to convince the other party of your true underlying preferences.

Communication

From Us to You. I will post announcements on the Announcement section of the Blackboard welcome page. Please check at least once a day. I assume that within 24 hours you will see any announcement I post. When I have information I need to get to you more quickly than that, I will also send e-mail.

From You to Us. All assignments must be submitted in Blackboard. If you have questions about assignments, please post them in Blackboard (unless it concerns your role in a negotiation and may reveal information that those playing other roles should not have, in which case e-mail us!). That way either our TF or I or a classmate can answer and everyone can see what we said. Otherwise, e-mail works best for everything except emergencies, when you should both e-mail and call us. Please include “CCN” in the subject line and provide your name whenever you send e-mail.

I have office hours almost every Wednesday, 5-6pm. If you would like to meet with me at another time, please contact send me an e-mail and we can set up a time that works for you.

From You to Each Other. If you have additional observations to make about what we have been doing in class or you run across something interesting that relates to negotiations, please post it on our Blackboard discussion board (these postings also count toward your class participation grade.)

In general,

- Communication should be positive, constructive, polite, responsible, and germane to the subject at hand.
- There will be no anonymous or pseudonymous online communication, except for course evaluations. However, you may edit your own discussion board posts if you choose. I recommend that you resist editing posts after there have been replies, as threads can quickly become unintelligible!
- Maintain respectful confidentiality when classmates share work related items in class.
# Course Outline

**Shell** = Richard Shell, *Bargaining for Advantage*

**T-K** = Thomas Kilmann Conflict Mode Instrument (BB)

<table>
<thead>
<tr>
<th>Meeting</th>
<th>Time</th>
<th>Topic</th>
<th>Negotiation*</th>
<th>Assignments</th>
<th>Planning Document Due Date*</th>
<th>Post-Negotiation Analysis Due Date*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1/3</td>
<td>6-9pm</td>
<td><strong>Introduction/Relational Currencies</strong></td>
<td>Rudolph-Lama (Prepare in class)</td>
<td>Read <em>Shell</em>: Chapter 1-6</td>
<td>n/a</td>
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<tr>
<td>2</td>
<td>1/5</td>
<td>6-9pm</td>
<td><strong>Creating vs. Claiming Value</strong></td>
<td>El-Tek</td>
<td></td>
<td>1/4 (10pm)</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Virtual Victorian</td>
<td>Negotiate via e-mail, bring contract to class 5, save and submit e-mails</td>
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<td>n/a</td>
</tr>
<tr>
<td>3</td>
<td>1/8</td>
<td>9am-Noon</td>
<td><strong>Negotiating Styles/Creating Value</strong></td>
<td>Moms.com</td>
<td>Read <em>Shell</em>: 7-10</td>
<td>1/7 (10pm)</td>
</tr>
<tr>
<td>4</td>
<td>1/8</td>
<td>1pm-4pm</td>
<td><strong>Claiming Value</strong></td>
<td>Antique Carousel Horse</td>
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<td>n/a</td>
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<tr>
<td>5</td>
<td>1/10</td>
<td>6-9pm</td>
<td><strong>Power &amp; Coalitions</strong></td>
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<td></td>
<td>n/a</td>
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<tr>
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<td></td>
<td>Federated Science</td>
<td>Negotiate via e-mail, bring contract to class, save and submit e-mails</td>
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<td>6</td>
<td>1/12</td>
<td>6-9pm</td>
<td><strong>Organizational Dynamics</strong></td>
<td>Harborco</td>
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<td>1/11 (10pm)</td>
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<td>1/19</td>
<td>10pm</td>
<td><em>Final Exam</em></td>
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*Choose two

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CCN, Winter 2011