Course Description and Objectives

Negotiation is the art and science of securing agreements between two or more parties who are interdependent. It is the process by which people try to achieve mutually agreeable outcomes to transactions, and the process by which people try to resolve differences in a way that satisfies their interests. We negotiate every day—with potential employers, bosses, co-workers, landlords, merchants, service providers, spouses, friends, and many others. However, many of us know very little about the strategies and psychology of effective negotiation. To be successful as a manager, you will need not only strong analytic skills to discover optimal solutions to problems, but also good negotiation skills to get these solutions accepted and implemented.

The learning method in this course is experiential. You will prepare for, and simulate, a variety of negotiations. You will also have the unique opportunity to see how you performed in each of these negotiations, relative to other people in the class and relative to what was objectively possible.

It is my hope that the skills you develop in this course will be ones that you can use in both your professional and personal lives. The overall objectives of the course are the following:

1. To provide you with a theoretical framework for understanding negotiation—a set of concepts integral to preparing, negotiating, and subsequently evaluating the negotiation process and its outcomes.

2. To improve your ability to reach effective agreements by teaching you how to:
   - Capitalize on your own personal style and overcome personal barriers
   - Prepare effectively for all different types of negotiations
   - Evaluate the costs and benefits of alternative actions
   - Identify opportunities for integrative solutions
   - Communicate persuasively in the face of resistance
   - Adjust your tactics to different circumstances
   - Determine when you have reached a good outcome in a negotiation

Materials


2) Optional book: *Getting to Yes: Negotiating Agreement Without Giving In*, Roger Fisher & William Ury, NY: Penguin. NYU Professional Bookstore. I highly recommend reading this, either before, during or after the course. It is a short book and an easy read.

3) Class handouts: Each class, I will distribute the materials for the in-class exercises. I cannot distribute them all at once since different students are assigned different roles and therefore get different materials. Some of these materials are proprietary and have an associated usage fee. To cover these charges, you will need to pay a Class Handout Fee to the NYU Bookstore PRIOR TO THE START OF THE COURSE. You will receive an email with instructions for paying this fee. **Note:** failure to pay this fee on time will prevent you from participating in the classroom exercises.
Course Requirements

Participation and Attendance (30% of your grade)

The majority of the learning in this course takes place during class, through the exercises and discussions. Hence, attendance and participation are mandatory. An absence from any of the 6 class sessions will substantially reduce your class participation grade. The only exceptions are for serious illness or family emergency, in which case I need to be notified ahead of time. Please do not ask for an exception for any other reason. If you miss more than one session (regardless of the reason), you will not be able to earn a grade higher than a C for the course. Please note that partial attendance at a class session (e.g., arriving after the class has begun negotiating or leaving early), will be treated as an absence. Likewise, showing up unprepared to negotiate will be treated as an absence.

In evaluating the quality of your class participation, I am primarily interested in the extent to which you have contributed to the learning of the group. I will consider not just whether you are engaged in the class discussions, but also whether your comments tend to do one or more of the following: (a) offer a unique but relevant perspective, (b) contribute to moving the discussion and analysis forward, (c) help the class to understand differences between outcomes, (d) demonstrate reflective thinking. In other words, the goal should be meaningful contributions, NOT talking just for the sake of talking.

Two Preparation Documents (20% of your grade)

Preparation is one of the most important components to successful negotiation. For two of the in-class negotiations (Texoil & Moms.com), you are required to submit a preparation document at the beginning of class. The template can be found on Blackboard. Preparation documents cannot be accepted late (after the negotiation has begun).

Reflection Report (15% of your grade)

The objective of the reflection report is for you to either (a) reflect upon your performance in one or more of the in-class negotiations and synthesize one or two key lessons that you want to retain from those experiences, or (b) reflect upon a real-world negotiation that you have engaged in, and insights you have gained from the course on why that negotiation was successful/unsuccesful. In either case, make sure that your focus is on insight and personal learning (e.g. a challenge that you experienced and how you might approach this challenge in the future, a post-hoc analysis of what you did wrong and how you might prevent making similar mistakes going forward, something you have learned about yourself as a negotiator). You should NOT simply give an account of what happened in the negotiation(s), nor should you merely discuss basic principles from the readings or class discussions without relating them to your own experiences.

The maximum length of this paper is 900 words. Please include a word count at the end. You should use 11 or 12-point font, double-spacing, and one inch margins on all sides. Assignments that do not conform to these guidelines will be marked down.

The reflection report is due in class on January 13th. Papers submitted after the deadline will have a half-grade deducted for each day that they are late. In grading the reflection reports, I will be looking for evidence of reflective thinking and self-evaluation, as well as relevant and appropriate linkages to concepts from the reading or from class.
Take Home Final (35% of your grade)

The final exam will be posted on Blackboard after the last class session. It will not take more than a few hours of your time to complete. The exam is due by midnight on [date]. You can consult any of the course reading material, slides, and notes. However, you may not talk or collaborate with anyone. Late exams will not be accepted.

Important Information about Exercises

For the exercises that we do in class, you will receive confidential information regarding your role. **Do not show this information 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 information sheet. This rule mirrors reality, as in most negotiations your task is to convey your true underlying preferences convincingly.

Laptops, Cell Phone, and Electronic Devices

Students are welcome to use laptops during the negotiation exercises. However, I ask that laptops be closed during the class discussions. Cell phones and other electronic devices must be turned off during class.

Honor Code

As in any Stern course, you must adhere to the MBA honor code. Your written assignments and final exam must reflect only your own mastery of the course material and personal insights. Discussion with anyone else other than the instructor is prohibited. Use of outside materials is also prohibited. Any attempt to represent the work of others as your own will be considered an honor code violation and will be referred to the MBA Judiciary Committee. Please ask if you are uncertain about what represents an honor code violation.

Communication

If I need to communicate with you between class sessions, I will do so via email which I will expect you to check regularly. If you have questions for me, the best way to get a quick answer is via email, but you can also try reaching me by phone (212-998-0230). I am also happy to meet in person. Let me know if you would like to meet, and we can set up a mutually convenient time.
# Course Outline

<table>
<thead>
<tr>
<th>Session</th>
<th>Date</th>
<th>Topic</th>
<th>Exercises and Assignments</th>
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| 1       |      | Introduction to Course/ Relational Currencies | Exercise: Rudolph-West Dispute  
Reading: *Bargaining for Advantage*, Ch. 1-4  
Prepare: Bargaining Styles Assessment Tool  
(Appendix A in *Bargaining for Advantage*) |
| 2       |      | Creating versus Claiming Value       | Exercise: Texoil  
Reading: *Bargaining for Advantage*, Ch. 5-6  
Due: Texoil Preparation Document |
| 3       |      | Integrative Negotiation: Creating Value | Exercise: Moms.com  
Reading: *Bargaining for Advantage*, Ch. 7-8  
Due: Moms.com Preparation Document |
| 4       |      | Distributive Negotiation: Claiming Value | Exercise: Hamilton Real Estate  
Reading: *Bargaining for Advantage*, Ch. 9-10 |
| 5       |      | Power, Persuasion & Coalition Dynamics | Exercise: Federated Science Fund  
Reading: *Bargaining for Advantage*, Ch. 11-12  
Due: Virtual Victorian contract |
| 6       |      | Multi-Party Negotiation              | Exercise: Harborco  
**Due:** Reflection Report  
**Due:** Final Exam |