

**Management**  
**Course Number: 29:620:350**  
**Course Title: Negotiations**

## **COURSE DESCRIPTION**

The purpose of this course is to understand and use the theory and processes of negotiation as they are practiced in a variety of settings. The course is designed to be relevant to the broad spectrum of negotiation problems that are faced by the manager and professional.

A basic premise of the course is that while a manager needs analytical skills to discover optimal solutions to problems, a broad array of negotiation skills is needed to get these solutions accepted and implemented. The course will allow students the opportunity to develop these skills experientially and to understand negotiation in useful analytical frameworks. Considerable emphasis will be placed on simulations and role playing.

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 negotiations.

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## **COURSE MATERIALS**

You should be able to purchase the following four required readings at the campus bookstore. Feel free to share, borrow, etc., if you prefer, since you are not required to purchase these four items; you are only required to read them.

1. *GTY*: Fisher, R., Ury, W., and Patton, B. (1991 or 2011; either edition is fine). *Getting to Yes*. New York: Penguin.
2. *REC*: Lewicki, R., Barry, B., and Saunders, D., Editors (2015). *Negotiation: Readings, Exercises, and Cases*, 7<sup>th</sup> edition. New York: McGraw-Hill. (The 6<sup>th</sup> edition is also ok, but let me know if you're using it, so I can tell you the correct chapters.)
3. *NR*: Bazerman, M. and Neale, M. (1992). *Negotiating Rationally*. New York: Free Press.
4. Articles Packet (Note: Besides copying costs, the price includes the cost of royalties and permissions paid to publishers.) You can also order these articles on line at:  
<http://ow.ly/Sk2e303zE7W>

## LEARNING GOALS AND OBJECTIVES

You should develop the following skills from this course:

### *Business knowledge:*

- Learn to analyze negotiation situations, including assessing the bargaining zone and understanding the motivations and interests of both sides.
- Know how to develop a strategic plan for effective negotiations, including a thorough understanding of how to create a bottom-line walk-away point (reservation price), knowledge of BATNA (best alternative to a negotiated agreement), and how to set a target.
- Understand the difference between creating and claiming value, and develop skills in both areas.
- Understand common tactics used in negotiations.
- Better understand yourself through repeated exposure to negotiation situations.
- Build confidence as a negotiator.

### *Ethical judgment:*

- Understand how to wisely and ethically select—as well as defend against—strategic maneuvers.

### *Persuasive communication:*

- Learn to frame arguments effectively and analyze other people's motivations and interests, to be more convincing and reach better deals.

The bottom line: You should come out of this course as an analytically and intuitively savvy negotiator.

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## COURSE FORMAT

This course is built around a series of negotiation exercises and debriefings. Almost all exercises require preparation in advance. Some exercises require students to meet together outside of class to prepare as a group. Students are expected to be fully prepared for exercises prior to class and to participate in the debriefings. This course will have a midterm exam, but no final exam.

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## ACADEMIC INTEGRITY

*I do NOT tolerate cheating.* Students are responsible for understanding the RU Academic Integrity Policy (<http://academicintegrity.rutgers.edu/>)

I will strongly enforce this Policy and pursue *all* violations. On all examinations and assignments, students must sign the RU Honor Pledge, which states, “On my honor, I have neither received nor given any unauthorized assistance on this examination or assignment.” I will screen all written assignments through *SafeAssign* or *Turnitin*, plagiarism detection services that compare the work against a large

database of past work. Don't let cheating destroy your hard-earned opportunity to learn. See [business.rutgers.edu/ai](http://business.rutgers.edu/ai) for more details.

In addition, the following ethical standards apply specifically to this course:

- a. You are expected to be prepared and on time for all negotiations (see attendance policy).
- b. You may not physically show your confidential role instructions to other parties, though you are free to tell them whatever you would like to about your confidential information.
- c. Do not make up facts that materially change the power distribution of the exercise; e.g., that your family has just bought the company with which you are currently negotiating for a job.
- d. You may use any strategy, short of physical violence, to reach agreement, including misrepresentation. However, in selecting a strategy, it is wise to consider that using it may have ramifications that go beyond the particular negotiation.
- e. You may not share or describe the content of the role-playing exercises to students who may take this course in the future.
- f. You may not look at course materials from other Negotiations classes that I or others are currently or have previously taught. This prohibition, which also includes materials posted on the web, will be in effect until after the end of the semester.

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## COURSE REQUIREMENTS

### 1. Attendance, Participation, and Preparation (30%)

(20%) a. Your preparation and execution of the exercises and contribution to the debriefing discussion. I realize that the demands of traffic, work, family, etc. are powerful, but since this class is based so much on discussion and participation, I expect everyone to be on time for class, and I will be incorporating on-time attendance into your participation grade. In addition, expect to be called upon in class. You will be evaluated on the quality of your contributions and insights.

Quality comments possess one or more of the following properties:

- offers a different or unique, but relevant, perspective
- contributes to moving the discussion and analysis forward
- builds on other comments
- applies concepts in the readings to negotiation experiences

**This class has a strict attendance policy:** You may miss one negotiation exercise without penalty if you provide advance notice (24 hours) to the instructor. If you miss a second exercise, you will lose a letter grade. If, in conjunction with any miss, you do not provide advance notice, you will lose a letter grade. This policy *only* applies to class sessions when you are scheduled to

negotiate; there is no major penalty for missing a class session when you are not negotiating on that day (although your class participation would obviously be affected).

Please note now the classes during which negotiations are scheduled. This schedule is not likely to change. If you think you might miss an exercise, please both call me *and* e-mail me immediately to see what can be arranged. If I am not at my Newark office, please try me at home (I have voicemail at home, too). *Do not rely solely on either e-mail or voicemail for this purpose; use both.*

(10%) b. Planning Documents: At the beginning of each class for which there is a negotiation exercise (except the first class), you will be required to turn in a one-page negotiation planning document. Be sure to put your negotiation number at the top of the document and to make an extra copy of the planning document for yourself to use during the negotiation. During the course of the semester, two planning documents will be selected from each student and will be evaluated for quality; the remainder of the plans will be evaluated on a simple credit/no credit basis.

## 2. Midterm Exam (22%)

There will be an in-class midterm exam (closed book, closed notes) containing multiple-choice and short-answer questions. The exam will cover all readings and class discussions up to and including the readings assigned for the day of the midterm.

## 3. “Collecting Nos” Exercise (5%)

This homework assignment is described in the *REC* book, pp. 606-607. Just do parts A and C. In addition, keep track of all the requests you make and clearly indicate whether you received the equivalent of a “yes” or a “no” as a response (i.e., don’t just include the 10 no’s). Show a running count for how many yeses and how many nos. Record verbatim, i.e., exactly word for word, both your request and the response. This assignment should be unrelated to any in-class negotiation; it should be based on real-life requests by you to anyone: stranger, coworker, friend, acquaintance. Ask them questions as you would ask anyone for a request, not necessarily to start a negotiation. Use multiple people. Use this as an opportunity to ask people for things you actually want! This assignment may be turned in late, but I will deduct a substantial number of points for lateness, to be fair to those who were on time.

## 4. Group Strategy Papers (27%)

These group papers should focus on your strategic analyses in advance of the situation and as it develops and your reflections on why it went right or wrong.

(9%) a. Initial Report: When we get to the Ridgecrest School Dispute exercise, you and the members of your negotiating team will submit a summary write-up (1.5-2 pages, double-spaced, 12-point font, one-inch margins) of your team’s initial strategies prior to negotiating. You should also append supporting materials; e.g., team planning document, in-depth issues analysis, benchmarking findings, spreadsheets, etc.

(9%) b. Updated Report: You and the members of your negotiating team will submit a summary update during the middle of the negotiation process (1.5-2 pages, double-spaced, 12-point font, one-inch margins). You should append any *new* supporting materials.

(9%) c. Final Report: Both your team *and* the other team with whom you negotiated will write a *joint report* after negotiations end (4 pages, double-spaced, 12-point font, one-inch margins). Include references to course concepts and readings.

Your teammates will be asked to rate your individual contribution to preparing for and writing each of the three group papers. Individual grades will be adjusted up or down from the group grade based on this information.

#### 5. Negotiation Outcomes (8%)

This score will be calculated based on your own individual division's net profits (in millions of dollars) from the El Tek exercise. None of the other negotiation exercises will be graded.

#### 6. Reputation Index (8%)

This index will be calculated on your negotiating reputation with your classmates, on the basis of their experience with you over the semester. The index is a proxy for the long-term effects of reputations created by negotiation activities in organizations, where the negotiations you conduct today can affect the ways you are seen by others tomorrow. The index recognizes that those individuals who have a reputation of competence, benevolence, and integrity will have an advantage in future negotiations, and those who do not have such a reputation will be at a disadvantage.

#### 7. Extra Credit (up to +2 percentage points on your participation grade, which is 30% of the overall grade)

Up until the last class session, you may turn in up to two negotiation examples, or up to two chapter analyses, or one of each, for one extra-credit point each on your participation grade.

One option is to bring in an example of an interesting negotiation from a newspaper, magazine, movie, etc. All you need to do is write up a very brief analysis (e.g., what negotiation concepts are involved) and staple it to a copy of the article if it is from a newspaper, magazine, etc. If you see a noteworthy negotiation in a movie, you just need to write a description of it, the name of the movie, where it occurred in the movie, along with your very brief analysis. Please do not turn in articles of negotiating tips—only examples.

Another option is to write a short, one-page review of a designated chapter that includes: (1) a very brief summary of the main point(s), (2) the way(s) in which the chapter either repeats concepts already covered elsewhere in the course versus offers new insights, and (3) your overall judgment (and reasons why or why not) as to whether you think it should be added as a required reading in future semesters. The designated chapters to choose from are one of the following chapters from the *REC* book: 1.5: Effective Negotiating Techniques; 1.7: Defusing the Exploding Offer; 1.11: Negotiating with Liars; 2.9: Harnessing the Science of Persuasion; 7.2: Getting Past Yes; 7.5: Six Habits of Merely Effective Negotiators.

## **CLASS WEBSITE**

<https://canvas.rutgers.edu> If you are officially registered for the course, then you will have access to the website based on your Rutgers ID and password.

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## **CLASS ANNOUNCEMENTS**

I will be using Canvas to send out class announcements. So if you usually use a NON-Rutgers email account (e.g., gmail, yahoo, your employer), then please make sure to forward your email from your Rutgers account to the email account you actually use.

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## **COURSE SCHEDULE**

### ***WEEKLY SCHEDULE***

<b>Session 1</b>	<b>Introduction to Negotiation</b>
Read:	<i>GTU</i> book—the <u>entire</u> book, if possible
Negotiate:	Texoil [to be distributed in class]
In-Class:	Introduction to course

## Session 2

### Negotiation Basics and Planning

Read:

[review] *GTY* book—the entire book  
articles packet: The Pros and Cons of “Getting to Yes”  
*REC* 1.3: Balancing Act

*NR*, chpt. 4: Anchoring and Adjustment  
articles packet: Elmtree House  
*REC* 1.4: The Negotiation Checklist [especially parts A and B]

Prepare:

posted on Canvas: Financial Mortgage Insurance (FMI) (A)

Turn In Hard Copy:

Short answers (a few bullet points or sentences at most) to each of the following questions:

1. Who are the key players (people and organizations) in the FMI case?
2. What kinds of research and preparation did Fisher (and Garcia) do?
3. What is Fisher’s bottom line for the upcoming negotiation with CTS?

In-Class:

Debrief Texoil  
Discuss FMI case

## Session 3

### Negotiation Basics (cont.)

Read:

*NR*, chpts. 9-11: A Rational Framework for Negotiation  
*NR*, chpt. 18: Conclusion  
[Optional: *NR*, chpts. 2-3, 5-8;  
especially the advice on pp. 44, 54-55, 59-60, 61-62]

Watch In Advance:

Video on Canvas: Inside the Manny Ramirez Deal

Turn In Hard Copy:

Planning Document (New Recruit)

Negotiate:

*New Recruit*

In-Class:

Skills Building: Buying a Car  
Video: Seinfeld clips

**Session 4****Power and Dispute Resolution**

- Read: *REC* 1.1: Three Approaches to Resolving Disputes  
*REC* 1.9: Solve Joint Problems to Create and Claim Value  
*REC* 3.4: The Fine Art of Making Concessions  
[review] *GTY*, pp. 107-128: What If They Won't Play?
- Turn In Hard Copy: Planning Document (Chestnut Drive)
- Negotiate: *Chestnut Drive*
- In-Class: Debrief New Recruit

**Session 5****Mediation**

- Read: *REC* 3.7: The Tension between Principals and Agents  
*REC* 6.7: When and How to Use Third-Party Help  
*REC*, pp. 588-591: sample mediation guide  
*NR*, chpt. 15: Negotiating Through Third Parties  
articles packet: The Mediation Process
- Turn In Hard Copy: Planning Document (Amanda)
- Negotiate: *Amanda* ["fishbowl" style at front of class]
- In-Class: Debrief Chestnut Drive  
Skills Building: Buying a Home

**Session 6****Negotiation Strategy**

- Read: [review] *REC* 3.7: The Tension between Principals and Agents posted on Canvas: Trust
- Turn In Hard Copy: Planning Document (Bullard Houses)
- Negotiate: *Bullard Houses*
- In-Class: Midterm Exam

*NO CLASS on : "Group Time" to prepare for Miti-Pet*

*NO CLASS*

**Session 7**

**Ethics in Negotiation; Dispute Resolution Revisited**

Read: articles packet: Ethics in Negotiation  
articles packet: When Is It Legal to Lie in Negotiations?  
  
*REC* 3.12: How to Manage Your Negotiating Team  
[review] *REC* 1.1: Three Approaches to Resolving Disputes

Turn In Hard Copies: Planning Document (Miti-Pet) [by individual or team]  
Collecting *Nos* assignment

Negotiate: *Miti-Pet*  
NOTE: Team preparation outside of class

In-Class: Debrief Collecting *Nos*  
Debrief Bullard Houses

**Session 8**

**Multi-Party Cross-Cultural Negotiation**

Read: *REC* 3.11: Building and Maintaining Coalitions and Allegiances throughout Negotiations  
*REC* 5.2: Intercultural Negotiation in International Business  
*NR*, chpt. 14: Negotiating in Groups and Organizations

Turn In Hard Copy: Planning Document (Mouse)

Negotiate: *Mouse*

In-Class: Debrief Miti-Pet

**Session 9**

**Negotiation Strategy Revisited**

Read: [review] *NR*, chpts. 9-11: A Rational Framework for Negotiation  
[review] *NR*, chpt. 18: Conclusion

Turn In Hard Copy: Planning Document (El Tek)

Negotiate: *El Tek*—individual outcomes to be graded

In-Class: Debrief Mouse  
Video: The Restaurant



[Rutgers University-New Brunswick ODS phone (848)445-6800 or email [dsoffice@echo.rutgers.edu](mailto:dsoffice@echo.rutgers.edu)]

[Rutgers University-Newark ODS phone (973)353-5375 or email [ods@newark.rutgers.edu](mailto:ods@newark.rutgers.edu)]

If you are ***pregnant***, the Office of Title IX and ADA Compliance is available to assist with any concerns or potential accommodations related to pregnancy.

[Rutgers University-New Brunswick Title IX Coordinator phone (848)932-8200 or email [jackie.moran@rutgers.edu](mailto:jackie.moran@rutgers.edu)]

[Rutgers University-Newark Office of Title IX and ADA Compliance phone (973)353-1906 or email [TitleIX@newark.rutgers.edu](mailto:TitleIX@newark.rutgers.edu)]

If you seek ***religious accommodations***, the Office of the Dean of Students is available to verify absences for religious observance, as needed.

[Rutgers University-New Brunswick Dean of Students phone (848)932-2300 or email [deanofstudents@echo.rutgers.edu](mailto:deanofstudents@echo.rutgers.edu)]

[Rutgers University-Newark Dean of Students phone (973)353-5063 or email [DeanofStudents@newark.rutgers.edu](mailto:DeanofStudents@newark.rutgers.edu)]

If you have experienced any form of ***gender or sex-based discrimination or harassment***, including sexual assault, sexual harassment, relationship violence, or stalking, the Office for Violence Prevention and Victim Assistance provides help and support. More information can be found at <http://vpva.rutgers.edu/>.

[Rutgers University-New Brunswick incident report link: <http://studentconduct.rutgers.edu/concern/>. You may contact the Office for Violence Prevention and Victim Assistance at (848)932-1181]

[Rutgers University-Newark incident report link: [https://cm.maxient.com/reportingform.php?RutgersUniv&layout\\_id=7](https://cm.maxient.com/reportingform.php?RutgersUniv&layout_id=7) . You may also contact the Office of Title IX and ADA Compliance at (973)353-1906 or email at [TitleIX@newark.rutgers.edu](mailto:TitleIX@newark.rutgers.edu). If you wish to speak with a staff member who is confidential and does **not** have a reporting responsibility, you may contact the Office for Violence Prevention and Victim Assistance at (973)353-1918 or email [run.vpva@rutgers.edu](mailto:run.vpva@rutgers.edu)]

If students who have experienced a temporary condition or injury that is adversely affecting their ability to fully participate, you should submit a request via <https://temporaryconditions.rutgers.edu> .

If you are a military **veteran** or are on active military duty, you can obtain support through the Office of Veteran and Military Programs and Services. <http://veterans.rutgers.edu/>

If you are in need of **mental health** services, please use our readily available services.

[Rutgers University-Newark Counseling Center: <http://counseling.newark.rutgers.edu/>]

[Rutgers Counseling and Psychological Services–New Brunswick: <http://rhscaps.rutgers.edu/>]

If you are in need of **physical health** services, please use our readily available services.

[Rutgers Health Services – Newark: <http://health.newark.rutgers.edu/>]

[Rutgers Health Services – New Brunswick: <http://health.rutgers.edu/>]

If you are in need of **legal** services, please use our readily available services: <http://rusls.rutgers.edu/>

Students experiencing difficulty in courses due to **English as a second language (ESL)** should contact the Program in American Language Studies for supports.

[Rutgers–Newark: [PALS@newark.rutgers.edu](mailto:PALS@newark.rutgers.edu)]

[Rutgers–New Brunswick: [eslpals@english.rutgers.edu](mailto:eslpals@english.rutgers.edu)]

If you are in need of additional **academic assistance**, please use our readily available services.

[Rutgers University-Newark Learning Center: <http://www.ncas.rutgers.edu/rlc>]

[Rutgers University-Newark Writing Center: <http://www.ncas.rutgers.edu/writingcenter>]

[Rutgers University-New Brunswick Learning Center: <https://rlc.rutgers.edu/>]

[Optional items that many faculty include:

- Students must sign, date, and return a statement declaring that they understand the RU Academic Integrity Policy.

- Students must sign, date, and return a statement declaring that they understand this syllabus.]