

RECANATI GRADUATE SCHOOL OF BUSINESS ADMINISTRATION
MBA PROGRAM, SPRING 2010

“NEGOTIATIONS BEHAVIOR”

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Course Focus

Negotiations take place every day in a wide variety of contexts; between job applicants and potential employers, between coworkers, roommates, landlords, parents, bosses, spouses, and even friends. We negotiate our salaries, what price we will pay, where to go to dinner, and even who will take the garbage out. Although negotiations are an inseparable part of our everyday lives, many of us know very little about our own behaviors in negotiations, the best strategies, and what makes an effective negotiation. Why did we succeed in a specific deal? How come we can't achieve the same outcome in a different context? Why do some people always get the best deals while others do not?

Negotiation is the art and science of getting what you want from the other side through back – and- fourth communication. It is the art of securing agreements between two or more individuals who are both attempting to maximize their own individual outcomes.

This course provides an exposure to analytical tools, frameworks, a series of simulations and debriefings with the purpose of providing class participants the opportunity to identify, analyze and develop their negotiation abilities. The basic premise of the course is that negotiation skills are best learned through practice grounded in deep analysis and self-reflection. Although theoretical concepts and principles will be presented in class lectures and in readings, the course will focus primarily on improving practical skills in dyadic and group situations through a series of in-class simulations. Each simulation has been carefully chosen to address a diverse set of negotiation problems that are faced by managers and employees in organizational settings. The simulations aims to build on each other and raise issues that complement diagnostic and technical skills taught in other courses at Recanati. A key focus is not only teaching participants a diverse set of skills, but learning to select the most effective strategy and how to apply the learned skills in a given situation/context.

Overview: The primary goal of the course is to enhance your ability as a negotiator by:

- Reflection and awareness of your own negotiating style
- Learning to develop a strategic plan prior to a negotiation
- Exposure to central concepts in negotiations and how to apply these

- Improving your ability to ‘read’ others and predicting their behavior
- Learning about types of negotiations and adapting different strategies for the relevant context
- Building an “*individual customized toolkit*” of useful negotiation skills, strategies and approaches

The course incorporates readings drawn from scholarly professional and business journals and books as well as in-class simulations/exercises.

Course Materials

There is a required course reader. The reader containing all the course readings will be available prior to the start of the course at “Safrot Zola”. You must order the reader prior to the first session as you will need to prepare the material for our first simulation. Additional items and all simulation materials will be distributed in class or otherwise provided by the instructor.

Electronic Access to Course Materials

All class files including selected power-point slides presented in class by the instructor will be available on the course website at Virtual Tau: <http://virtual.tau.ac.il>

Course Requirements

- Class Participation - 63% of grade

The class participation grade for all simulation-based sessions will be divided into three parts (Total- 9% per session).

- ***Preparation:*** The first part will be determined by your preparation for the simulation. You will be assigned a role and be required to prepare a written analysis on a “preparation- form” prior to the simulation. All preparation forms will be completed and *handed in at every class session* and will comprise 4% of your grade. You are responsible for handing in your preparation guide at every session.
- ***Feedback:*** The second part will be determined by your feedback to your partner/s in the simulation. After each simulation, you will be asked to provide written feedback on a “feedback/debrief form” to your partner/s. All feedback forms will also be handed in at every class session and will compromise 3% of your grade.
- ***Participation:*** The final component of your grade will be influenced by the quality of your participation in class discussions. This will be determined by the value of your comments, new perspectives that you raise, and application of theoretical concepts from the readings. The grade for this component will comprise 2% of your grade.

- Individual Papers - 37% of grade (Due March 17th and April 7th)

The purpose of the individual papers is to enrich your learning through analysis and reflection on your own negotiation experiences and your abilities as an effective

negotiator. Moreover, in these assignments you **must apply class concepts** and suggest 'improvement strategies' that will help you improve as a negotiator.

- The focus of the first paper is on your past negotiating experiences and your evaluation of your strengths and weaknesses as a negotiator.
 - The focus of the second paper will be on perceptions others have of you as a negotiator and analysis of a current negotiation.
- ➔ In both papers, there should be enough description so we can understand the context, but the focus should be on analyses. (Additional guidelines about each paper will be provided by the instructor in class.)

Class Attendance

Given the nature of the course, students must attend ALL sessions and actively participate in class discussions and in-class simulations/exercises for maximum course benefit. Attendance is mandatory and all efforts should be made to attend every session. In case a student must miss a session (or half a session) he/she must inform the instructor as soon as possible to avoid interruptions to the sessions. One absentee ONLY will be allowed throughout the course.

**MBA, SPRING 2010
READINGS AND ASSIGNMENTS**

SESSION 1 <i>Feb 24, 2010</i>	INTRODUCTION TO NEGOTIATIONS
Lecture Topic	<ul style="list-style-type: none"> • Introduction to the course <ul style="list-style-type: none"> ○ The Art of Negotiating ○ “The Problem” ○ Separating the People from the Problem ○ Interests v.s Positions ○ Value of Agents <p><u>Simulation #1</u></p>
Assignment	
Readings	<ul style="list-style-type: none"> • Fisher, R., Ury, W., & Patton, B. 1991. <i>Getting to Yes</i>. New York: Penguin. (Chapters 2,3) • Optional: Rubin, J., & Sander, F. “When Should We Use Agents? Direct vs. Representative Negotiation”. In Breslin, W., & Rubin, J. 1991. <i>Negotiation Theory and Practice</i>, Cambridge, MA: 81-87.

SESSION 2 <i>March 3, 2010</i>	INTEGRATIVE & DISTRIBUTIVE NEGOTIATIONS
Lecture Topic	<ul style="list-style-type: none"> • Focus: Two Party Negotiations • Integrative vs Distributive Negotiations <ul style="list-style-type: none"> ○ The Mythical Fixed Pie • Basic Terms: <ul style="list-style-type: none"> ○ BATNA, Reservation Price, Bargaining Zone <p><u>Simulation #2</u></p>
Assignment	
Readings	<ul style="list-style-type: none"> • Bazerman M.H., & Neale, M.A. 1992. <i>Negotiating Rationally</i>. The Free Press: New York, NY. (Chapters 1,3,9). • Malhotra, D. & Bazerman, M. 2007. <i>Negotiation Genius: How to Overcome Obstacles and Achieve Brilliant Results at the Bargaining Table and Beyond</i>, Bantam Dell: New York, NY.(Chapter 1: Claiming Value)

SESSION 3 March 10, 2010	INTRA-INTER GROUP NEGOTIATIONS
Lecture Topic	<ul style="list-style-type: none"> ○ Prisoner's Dilemma <ul style="list-style-type: none"> ○ Tit-for-Tat ○ Team decision process ○ Finding Options for Mutual Gain ○ Escalation of Commitment <p><u>Simulation #3</u></p>
Assignment	
Readings	<ul style="list-style-type: none"> • Bazerman M.H., & Neale, M.A. 1992. <i>Negotiating Rationally</i>. The Free Press: New York, NY. (Chapters 2, 17). • Fisher, R., Ury, W., & Patton, B. 1991. <i>Getting to Yes</i>. New York: Penguin. (Chapter 4) ▪ Optional: Watkins, M.. "Negotiating in a Complex World", <i>Negotiations Journal</i>, July, 1999: pp. 245-270.

SESSION 4 March 17, 2010	MULTI-PARTY NEGOTIATIONS
Lecture Topic	<ul style="list-style-type: none"> • Multi-issue Negotiation • Value of Coalitions <ul style="list-style-type: none"> ○ Who to form a coalition with? ○ Trade-offs ○ Consensus or Majority rule? ○ Concept of "Anchoring and Adjustment" ○ "Framing" • Ethical Considerations <p><u>Simulation #4</u></p>
Assignment Due	<i>Paper 1: Reflection on your Past Negotiations</i>
Readings	<ul style="list-style-type: none"> • Watkins, M. and Rosegrant, S. "Sources of Power in Coalition Building," <i>Negotiation Journal</i>, Jan, 1996, pp. 47-68 • Bazerman M.H., & Neale, M.A. 1992. <i>Negotiating Rationally</i>. The Free Press: New York, NY. (Chapters 4,5). • Young, Mark. "Sharks, Saints, and Samurai: The Power of Ethics in Negotiations," <i>Negotiation Journal</i>, Vol. 24, No. 2, April 2008

SESSION 5 ORGANIZATIONAL NEGOTIATIONS <i>March 24, 2010</i>	
Lecture Topic	<ul style="list-style-type: none"> • Long Term/Short Term Negotiations • Trusting in Negotiations <ul style="list-style-type: none"> ○ Who To Trust? ○ How to Build Trust in a Negotiation? • Third Party Involvement: <ul style="list-style-type: none"> ○ Mediation, Arbitration, Law Suit, ADR <p><u>Simulation #5</u></p>
Assignment	
Readings	<ul style="list-style-type: none"> • Malhotra, D. & Bazerman, M. 2007. <i>Negotiation Genius: How to Overcome Obstacles and Achieve Brilliant Results at the Bargaining Table and Beyond</i>, Bantam Dell: New York, NY (Chapter 9) ▪ Malhotra, D. “Risky Business: Trust in Negotiations,” <i>Negotiation</i>, Vol. 7, No. 2, Feb. 2004

SESSION 6 CROSS-CULTURAL NEGOTIATIONS <i>March 31, 2010</i>	
Lecture Topic	<ul style="list-style-type: none"> • Culture and Negotiation • Why Are Global Negotiations Different? • Key challenges and Preparation • Tips when Negotiating with : <ul style="list-style-type: none"> ○ Asia, Europe, and the USA <p><u>Simulation #6</u></p>
Assignment Due	
Readings	<ul style="list-style-type: none"> ▪ Acuff, F.L. 2008. <i>How to Negotiate Anything with Anyone Anywhere Around the World</i>. AMACOM: New York, NY. (Chapter 2, 8, 10) ▪ Brett, J.M. 2007. <i>Negotiating Globally: How to Negotiate Deals, Resolve Disputes and Make Decisions across Cultural Boundaries</i>. Jossey-Bass: San Francisco: CA. (Chapter 2 & 7) ▪ Optional: Lewicki, R.J., Sanders, D.M., & Minton, J.W. 1997. “Global Negotiation”, <i>Essentials of Negotiation</i>, Chicago, Irwin, 233-253

SESSION 7 <i>April 7, 2010</i>	CONCLUDING SESSION: BECOMING A BETTER NEGOTIATOR
Lecture Topic	<ul style="list-style-type: none"> ▪ Negotiating from a weakness ▪ Maintaining Relationships after a Conflict or Negotiation Breakdown ▪ Gender Differences in Negotiations ▪ Course Overview <p><u>Simulation #7</u></p>
Assignment Due	<i>Final Paper: Evaluation of a Real Negotiation & Others Reflections on You as a Negotiator</i>
Readings	<ul style="list-style-type: none"> ▪ Malhotra, D., Ku, G, and Murningham, J.K. “When Winning is Everything,” <i>Harvard Business Review</i>, Vol. 86 No. 5, May 2008 • Malhotra, D. & Bazerman, M. 2007. <i>Negotiation Genius: How to Overcome Obstacles and Achieve Brilliant Results at the Bargaining Table and Beyond</i>, Bantam Dell: New York, NY. (Chapter 11) ▪ Kray, L. “Leading Through Negotiation: Harnessing the Power of Gender Stereotypes,” <i>California Management Review</i>, Vol. 50, No. 1, Fall 2007