

Managerial Negotiations (B8510) - Spring 2022
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Bidding Syllabus - Fall 2022

To be enrolled in the class, you *must* be present for the first class.

COURSE OVERVIEW

Negotiations and conflicts are everywhere. From low stakes disputes about when and where to hold the next work meeting to high stakes clashes about strategic direction and boardroom contractual agreements, effective negotiators tend to fare better in the long run. Rather than shy away from disputes, effective negotiators get the most out of them both in terms of the instrumental value they carry away and in terms of the relationships and reputations they leave behind. Virtually everyone could stand to improve their negotiation skills and, fortunately, virtually everyone can develop in this area.

This course aims to help students improve their skills in two fundamental ways.

- **Knowledge-oriented:** to be more effective negotiators, students learn frameworks and concepts for analyzing negotiations and conflicts at a more sophisticated level. Students will acquire terms and models for identifying different types of conflicts and the potential costs and benefits of various strategies and tactics. By the end of the course, students should be able to interpret situations, plan tactics, and recognize and react to their counterpart's behavior.
- **Practice-oriented:** to be more effective negotiators, students complement their analytical tools with behavioral skills. Negotiations and conflicts ultimately come down to behaviors - how you open a potentially volatile conversation, how you uncover information, how you frame an offer or a concession. Practicing these behaviors and understanding other parties' reactions to them is essential to becoming a more effective negotiator. The course provides a platform for students to practice these skills hands-on, an opportunity to identify their strengths and weaknesses, and provides feedback, discussion, and occasions for reflection.

CONNECTION TO THE CORE

This course is related to a wide range of topics that are important for developing professionals. In Columbia Business School's core course sequence, it is perhaps most directly linked to the core leadership course, *Lead: People, Teams, Organizations*, where students will have received an overview of the topic and enacted a role-play negotiation. This course dives deeper, focusing in on different negotiation dynamics and ultimately addressing even more complex issues. Managerial Negotiations also deals with behavior in competitive contexts and markets, touching on topics dealt within the *Strategy Formulation and Managerial Economics* core courses, and with behavior related to persuasive communication and selling, touching on topics dealt with in the *Managing Marketing Programs* core course.

This course embraces the norms of the **Columbia Core Culture**. Students are expected to be:

- **Present:** Be on time and present for every session (attendance will be tracked)
- **Prepared:** Complete pre-work as needed and be prepared for cold calling
- **Participating:** Constructive participation is expected and part of grade

COURSE FORMAT

This is a highly interactive course. Becoming the most effective negotiator is best achieved via hands-on experiences coupled with lectures, discussions, readings, and reflections on the underlying concepts.

There will be one or more role-play exercises in every class period. These exercises have been selected to help illustrate points in readings and lectures and to motivate further reflection. These exercises will put you in new, and potentially uncomfortable, situations, but within the safe environment of the classroom. In these exercises, you are urged to try out new behaviors and tactics based on your own reading and reflection.

The course begins with basic dynamics in negotiation and adds complexity in stages. Through role-play exercises, lecture, reading, and discussion, you will learn about negotiating multiple issues, negotiating with multiple parties, mediation, agents, and coalitions. Some exercises involve numerical analyses, others involve qualitative conflicts. By the end of the course, you should be able to approach most conflicts or negotiations comfortably and confidently: analyzing their nature, understanding your objectives, and plotting an approach that will give you the best shot at achieving your goals.

COURSE SCHEDULE (SUBJECT TO CHANGE)

PART 1: TWO-PERSON NEGOTIATIONS
Introduction
Distributive Bargaining
Positional Bargaining
Multi-issue Bargaining, Part 1
Multi-issue Bargaining, Part 2
PART 2: NEGOTIATION DYNAMICS AND BARGAINING CONTEXTS
Modes of Communication
Conflict and Diversity in Negotiations
PART 3: BEYOND DYADS
Mediation and Bias
Special Joint Session with Columbia Law School
Agents and Trust
Team Negotiation
Conclusion

READINGS

Every class will be complemented with a few **optional** readings. You are not required to complete these readings, but students often mention they get much more out of the course if they read along. The goal is to give you the opportunity to dig as deep as you wish in order to develop, strengthen, and hone your negotiation skills.

Readings will be drawn from several books and articles. Feel free to save money by buying previous editions of these books. **When purchasing books, consider your local bookstore. They need your love and support.**

- *Getting to Yes: Negotiating Agreement Without Giving In* (by Fisher, Ury, and Patton)
- *Difficult Conversations* (Stone, Patton, and Heen)
- *Essentials of Negotiation* (by Lewicki, Barry, and Saunders) *

* This is not the same as Lewicki, Saunders, and Barry's volume, *Negotiation*

ATTENDANCE POLICY

This course is extremely experiential and is all about practicing and improving your negotiation skills using carefully curated role-play. You must be in class to engage in the content, and if you miss class there will be no way to make it up. Because all sessions involve pairs or groups of students working together, absences can also potentially undermine your classmates' experience. As a result, being absent without prior notice does not only hurt your own learning experience, but also that of your fellow classmates.

Thus, attendance is required for all class sessions and absences will carry a grade penalty (see Grading). On the flipside, if you attend and participate in class every week, you will likely do very well in the course.

The first session sets the stage for the entire course and, therefore, attendance in the first session is mandatory.

ROLE-PLAY GROUND RULES

Everyone plays a part in creating the constructive learning environment that is essential to this course's effectiveness. Here are some ground rules for the role-play exercises:

1. Be prepared and on time for class meetings.
2. Unless otherwise noted, put all electronic devices away during class.
3. Do not show your confidential role instructions to other parties during a negotiation and do not directly read them aloud. At your discretion, you can choose to speak about your interests to the other side.
4. Feel free to "ad lib" to provide rationales and explanations for your character's preferences (e.g., say things you think your character would say). Adopt the given payoff tables as reflecting your preferences but do not make up facts that materially change the power distribution of the exercise.
5. It is sometimes tempting to promise certain resources to "sweeten the deal" for your counterpart. Don't do so, unless role information suggests that these resources exist and that you have discretion over them.
6. Once the negotiation is complete, keep your instructions private, unless instructed otherwise. We will debrief most of our cases collectively in class.
7. The exercises are an opportunity to experiment. You can learn a lot from using unusual tactics and taking yourself outside of your "comfort zone." However, I will not tolerate anything that verges on intimidation, sexual harassment, or personal abuse.

Students learn best when they experiment and try new things in a safe environment. Therefore, your negotiation outcomes will not affect your grades. Yet, I will sometimes record your outcomes and answers to questions in the exercise materials to demonstrate points about negotiation principles. Many of the learning points in this course have been developed and refined through extensive prior classroom experiences. Just as prior students have made this course possible by sharing their experiences, you have the opportunity to contribute to the education of future students by sharing your own experiences. If you consent to allow your responses (including those from the leadership multi-rater feedback activity, negotiations exercises, and from other exercises in this course and other courses, as well as surveys by Career Services and other school offices) to be used for research purposes and for future refinement of course materials, your information will be kept strictly confidential. Any information derived from this research that identifies you would not be voluntarily released or disclosed without separate consent.

Research on students' negotiation outcomes (described in the preceding paragraph) takes place under the Columbia University IRB Protocol for "Management and negotiations research" (protocol number AAAA6074). The following individuals and/or agencies will be able to look at and copy your research records: 1) The investigator, study staff and other professionals who may be evaluating the study, 2) Authorities from Columbia University, including the Institutional Review Board ('IRB'), and 3) The United States Office of Human Research Protections ('OHRP'). The Principal Investigator for this protocol is Professor Katherine Philips

(Kp2447@columbia.edu, 212-854-5621; your professor is a Co-Principal Investigator). There are no foreseeable risks to you and the proposed research does not present any additional risk beyond what you are already doing as part of the course. The benefits of the exercises are the opportunity to gain knowledge and skills in negotiating and leading effectively. Classroom debriefing aims to help you learn not only from your own experience but also from the experience of classmates. Your participation is voluntary and you may withhold your materials from research purposes at any time without an effect on your course grade. If at any time you have comments regarding the conduct of this research or questions about your rights as a research participant, you should contact the Columbia University Institutional Review Board by email at askirb@columbia.edu or by phone at 212-851-7040.

If you do not want your responses and outcomes for exercises in this course used for research purposes, please notify the instructor.

GRADING

A large portion of your grade will be determined by attendance and participation. Grades are largely based on the effort students put into active participation in preparation for and during class. This minimizes how much is done outside of class, but also means that missing class will incur a grade penalty. Active participation includes class discussions, negotiation simulations, and post-negotiation feedback surveys. Preparation for class includes preparing for negotiation roleplay, building models in preparation for negotiations, and completing reflection assignments on personal development.

Students will complete a few assignments throughout the semester as well as a final paper, all designed to develop their negotiation skills. In addition, students will have the opportunity to complete two *optional* assignments, which would qualify them to get an H in class. However, I understand that students have busy schedules and many other priorities, and that not everyone is trying to get an H. Therefore, students who want to skip on the optional final assignment are more than welcome to do so.

Need to hand in something late? No need to ask for an extension! Just be aware that one point is subtracted per every day an assignment is late. The exceptions to this rule are models that you need to develop in advance of negotiations which must be completed on time as it is the source for an activity that week.

Note that, according to CBS policy, elective courses are graded on a curve, with the following requirements: H+/H/H- ≤ 50% and H+ ≤ 2%

Assuming I hand in <u>all</u> required assignments <u>on time</u>, what grade can I expect?			
	Without any optional assignment	With only one optional assignment	With both optional assignments showing exceptional effort
Missing 0 classes	Highest grade possible: H-	Highest grade possible: H	Highest grade possible: H+
Missing 1 classes	Highest grade possible: HP+	Highest grade possible: H-	Highest grade possible: H
Missing 2 classes	Highest grade possible: HP	Highest grade possible: HP+	Highest grade possible: H-
Missing 3 classes	Highest grade possible: P1+	Highest grade possible: HP	Highest grade possible: HP+
Highest grades are contingent on notable regular class participation, including class discussions, negotiation simulations, and post-negotiation feedback surveys.			

ASSIGNMENTS AND COURSE REQUIREMENTS

Three components make up student grades: 1) required participation, 2) course assignments, 3) a final paper. In addition, students can choose to complete two optional assignments. The course schedule below provides a summary of when each assignment is due.

Required participation

- Attendance at all class sessions (see Attendance)
- Active, substantive involvement in simulations (see Roleplay Ground Rules)
- Notable engagement, discussion, and comments in class
- Completion of post negotiation feedback surveys.

Course assignments (due on Canvas on or before each session).

- Online assessment assignment
- Distributive Action Planning assignment
- Integrative Action Planning assignment
- Email Analysis assignment
- Interpersonal Action Planning assignment
- Excel worksheet models for negotiation (sessions 5 and 11)

Final paper (12 points)

- The final assignment is a self-assessment paper in which you analyze yourself as a negotiator. This paper should be based on your prior negotiation experiences, your experiences in the course, discussions you've had about negotiations throughout class, and what you expect from yourself for the future. The paper should culminate in an action plan for developing as a negotiator, including **personal takeaways and a personal "theory of negotiation"** that reflects what you believe are the fundamental dynamics and best practices of negotiation **as they relate to you**. This should not be a recapitulation of recommendations offered in class. Rather, this paper should be a personalized version of your own negotiation manual, reflecting a meaningful amount of personal insight, synthesis, and application. An effective final paper is one that you will want to keep on your office desk years after graduation as a reference for your future negotiations. Final papers are typically 7-10 double-spaced pages long. For more information, see the assignment page on Canvas.

Optional assignment #1: "Scoring a Deal" Analysis (6 points)

- This optional assignment is designed to solidify your understanding of the *multi-attribute value analysis (MAV)* approach for clarifying tradeoffs between qualitatively different issues in multi-issue negotiation settings. To complete the assignment, you must read "*Scoring a Deal: Valuing outcomes in multi-issue negotiations*" by Ames, Larrick, and Morris (2012) in the course files. For more information, see the assignment page on Canvas.

Optional assignment #2: Real-world Negotiation Analysis (12 points)

- This optional assignment is an analysis of a real-world negotiation or conflict. The topic could be a transaction or deal but could also be a qualitative dispute or conflict. Students could choose to either

analyze a past negotiation/conflict or to conduct a “real time” analysis of an unfolding event that happens during the course itself, such as negotiating with an employer, bargaining with a contractor, an interpersonal family or relationship dispute, etc. An effective analysis should include a discussion of the background and context, an exploration of the issues at stake, a mapping of the involved parties and their stated positions and interests, and a discussion of the parties’ assumptions and expectations (e.g., the parties’ perceived trustworthiness). An effective analysis would also feature observations about what went well/poorly and how things might have gone differently.

Creative approaches are encouraged. The overarching objective is to think carefully about real-world conflicts or negotiations and apply the concepts and tools featured in the course. While students are not required to write about a personal negotiation/conflict (e.g., analyses of well-known negotiations or conflicts are acceptable), they are strongly encouraged to consider a situation in which they have personally played a role. While the details of any given case are important to note and consider, another goal is to coax larger and more enduring lessons that may be applied elsewhere.

If you are having trouble thinking about a negotiation to analyze, consider initiating a new negotiation in your professional or personal life.

Students who choose to write a real-world negotiation analysis are strongly encouraged to consult with the professor when choosing their topic. Papers are typically 7-9 double-spaced pages. For more information, see the assignment page on Canvas.

RECOMMENDED FURTHER READING

These readings will be made available on the course website (Canvas).

Author(s)	Reading
Benoliel & Cashdan	“Know your objectives” (Chapter 2 from <i>The Upper Hand</i>)
Ames, Larrick, & Morris	“Scoring a deal: Valuing outcomes in multi-issue negotiations” (<i>Columbia CaseWorks</i>)
Follett	“Constructive conflict”
Shell	“The first foundation: Your bargaining style” (Chapter 1 from <i>Bargaining for Advantage</i>)
Babcock & Laschever	“Why you need to ask” (Chapter 1 from <i>Ask for It</i>)
Watkins	“Managing conflict” (Chapter 7 from <i>Breakthrough Business Negotiation</i>)
Malhotra & Bazerman	“Confronting lies and deception” (Chapter 9 in <i>Negotiation Genius</i>)
Thompson	“Multiple parties, coalitions, and teams” (Chapter 9 in <i>The Mind and Heart of the Negotiator</i>)
Lax & Sebenius	“Get all the parties right” (Chapter 4 from <i>3D Negotiation</i>)
Ames	“Map the players, change the game: Evaluating who is—and should be—involved in deals and decisions” (<i>Columbia CaseWorks</i>)
Ames, Mason, & Carney	“A primer on personal development” (<i>Columbia CaseWorks</i>)