

Max M. Fisher College of Business  
The Ohio State University

MHR 802 Managerial Negotiations  
Winter, 1997

Instructor: Professor Roy Lewicki  
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Class Hours: Monday and Wednesday, 10:30-12:30 p.m.  
Office Hours: After class, Wednesday 12:30-1:30, 4:30-5:30 and by appointment  
Course Ass't: Beth DeSimone (desimone.4@osu.edu)

### Course Objectives

One objective of the course will be to explore the major concepts and theories of the psychology of bargaining and negotiation, and the dynamics of interpersonal and intergroup conflict and its resolution. A second objective will be to help students develop the sophistication to analyze bargaining and conflict relationships, and to learn (through class discussion and self-assessment) about their own individual "bargaining styles."

My interest is to have students in the course who are committed to both goals. That is, I would prefer to accept students who are committed to the intellectual analysis of bargaining problems (even, perhaps when the applicability of those ideas is not readily clear). I would also want the student to be committed to actively participating in the simulations, willing to have others constructively critique his/her behavior, and willing to try to learn from the feedback as well as the behavior of others in the course. I believe that a dual commitment to these two goals will provide the motivation to effectively maximize student learning.

My goal for the course is to help the student effectively integrate the experiential and intellectual learning components. I do not consider this an easy task.

The course is designed to be relevant to the broad spectrum of bargaining "problems" that are traditionally faced by the manager. Thus, the content is not be restricted to students interested in human resources or industrial relations. Students pursuing careers in sales, marketing, merger and acquisition, banking, purchasing, real estate, entrepreneurship and other areas that require skill in negotiation and persuasion should find the course useful and relevant.

### Format

There will be two weekly meetings of the class. Class time will be devoted to lectures, case discussions, videotape, and role plays. Lectures will provide analytical concepts that will integrate the readings and serve as useful frameworks for a richer understanding of cases and role plays. Cases, videotape and the role plays themselves

will provide the "application" aspects of this course. In addition, there will be a weekly group meeting and there will often be "out of class" role plays that must be completed before the next class begins. These will be described in extensive detail.

During the quarter, you will also be placed in a "D-Group." The purpose of the D-Group is to create an opportunity for students to talk with other students, in an organized manner, about events in the course. More will be said about the group below.

## **Textbooks**

Two books have been ordered for this course:

Roy J. Lewicki, David Saunders and John Minton, **Essentials of Negotiation**. Burr Ridge, IL: Richard D. Irwin, 1997. (**T** in outline)

Roy J. Lewicki, David Saunders, John Minton and Joseph Litterer, **Negotiation: Readings, Exercises, and Cases**. Homewood, IL: Richard D. Irwin, 2nd Edition, 1993. (**R** in outline).

Both books will be used extensively in the course.

## **Handouts**

The role play and simulation activities in this course requires extensive handouts. The number of pages exceeds the number that the College will provide *gratis*. As a result, a materials charge will be assessed all students in the course.

Copies of handouts not received in class can always be obtained from Prof. Lewicki or the course assistant at a location to be announced. Students are responsible for obtaining any materials not received due to missed classes.

## **Student Work Requirements**

1. Class Preparation and Participation. This course will require that students come prepared to class. There are two forms of preparation: reading and assignments.

a. Reading has been assigned to provide an enriched understanding of activities just completed in class, or to "set the stage" for upcoming activities. The instructor has attempted to select a blend of reading that combines analytical richness with detailed examples and applications. Students will be responsible for completing the reading assignments.

b. Assignments are cases, role plays, and questionnaires that must be completed for class, or in between class periods. It is essential that students be prepared by reading the assigned case or briefing information or completing the required assignment.

Students are expected to be prepared for class, to attend class, and to complete the required role plays outside of class. Therefore, you will be required to make time between some class periods to complete required negotiations. Attendance at class is expected unless the instructor is notified. Missing a role play or simulation is not acceptable except for medical emergency. You are also expected to attend D-Group sessions.

The class participation segment of your grade will be based upon your class attendance, D-Group attendance, preparation for all class activities, and the quality of your contribution to class discussions.

2. Graded Negotiations and Papers: There will be two graded negotiations in the course. In each graded negotiation, students will be evaluated on the basis of their performance in the role play AND the paper they submit on that role play.

Grading on the role play itself will focus on the actual results achieved by each negotiator. Since the role plays differ, criteria will vary from one scenario to the next, and will be announced prior to the role play.

The accompanying paper should focus on preparation and goal setting for the role play, a description/analysis of the actual negotiating events, and a description/justification of the results achieved. A good paper will address:

- \* a brief summary of the nature of the negotiating problem;
- \* the preparation that you did, including your goals/objectives;
- \* other people involved, and how their personality/style might affect your preparation or actual events;
- \* the progression of events in the simulation;
- \* the solution you achieved, and how you "defend" your solution against your earlier goals/objectives;
- \* integration of any analytical tools from the readings/lectures;
- \* what you learned from the exercise.

Papers will be evaluated based on the quality of analysis, and against these asterisked points. Papers should be no more than 5 pages, typewritten (PLEASE!) Papers will be a completely confidential document between student and instructor. Candor is encouraged. You may turn in your paper by code number only if you prefer.

3. Group Paper. Groups will be created for the purpose of a "group" negotiation. The negotiation will be conducted outside of class. Groups are then responsible for completing an analysis paper of their efforts as a team. More information will be given in class.

4. Reputation Index. The Reputation 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 affect the ways you are seen by others tomorrow. The index recognizes that those individuals who

have reputations as trustworthy and effective negotiators will have an advantage in future negotiations, and those who have reputations as untrustworthy and ineffective will have a disadvantage. The index will be completed near the end of the course.

In addition to your reputation index, students may earn "extra credit" on this factor by contributing to others' learning through helpful feedback, insightful participation and other actions that help others learn.

## 5. Final Project:

You may do one of three things for the "final project:

a. "Live" negotiation. You may write up a "live" negotiation that you have with someone during the term. This should be a real issue of importance to you, such as a salary or job negotiation, a major purchase, negotiation in a critical relationship (family, romantic, friendship, etc.) or an important work-related decision. The following rules apply:

1. You must negotiate for something non-trivial.
2. The other parties cannot be associated with this course (e.g. students or faculty member) or be aware that this is a class exercise.
3. You should articulate your goals, strategy and expectations prior to the negotiation.
4. If they are willing (and available), you should interview the other party(ies) or observers after the negotiation to supplement and corroborate your perceptions.

Evaluation of the papers will be based less on success and more on your ability to apply the key issues and concepts we will be working with, put together some sensible strategy, and generate ideas about how to be more effective in the future.

b. Learning Summary: You may prepare a personal learning summary. The purpose of the summary is to integrate what you have personally learned about yourself in the course, about others, about negotiation, and about human behavior (particularly in situations of conflict and personal influence). The Learning Summary will be written to the instructor, and will be a confidential document. Grading will be based on the comprehensiveness of your analysis, integration of relevant course materials, data and feedback from others in the course about your style (a MUST element for this paper) and personal reflection on your strengths and weaknesses.

c. Term paper. You may prepare an analysis paper of some actual negotiation that has occurred, such as an international situation, labor problem, hostage negotiation, business deal, etc. You may use either archival data (newspaper reports, documents) or interviews or both. Your paper should both "present" the case and then analyze it, using the theory and tools we will present in the course. Students are encouraged to consult with Prof. Lewicki about their topic in advance.

#### 4. D-Groups

The purpose of the D-Group is to create an environment in which you can talk about events in the course, your own personal reaction to them, and the ways those events are affecting your view of yourself as a negotiator.

D-groups will be composed of 4-6 members. The group is to meet once a week for one hour. You must find a time to meet when all members can, as a rule, get together. During the meeting, discussion might focus on:

- \* the content of the course;
- \* cases and exercises that may have been done, and your personal reactions to them;
- \* personal "negotiations" you have had outside the course, and how you have conducted yourself;
- \* issues that are arising for you in the course and their implications for your own learning and development as a negotiator.

You should spend a few minutes preparing for your D-group meeting each week. Preparation might include reviewing your answers to the following questions:

- \* what happened in the role play simulations this week?
- \* what strategy/tactics did I use, and what strategy/tactics did my opponent use?
- \* what did I learn from this activity? what do these activities say about my strengths/weaknesses as a negotiator?
- \* how do these activities relate to the ways I have negotiated, or will negotiate, "real" situations outside of the course?

Each group will submit a 1 page statement week (due in the Monday class), indicating group name and members in attendance, summarizing the topics of the group discussion, and raising any questions or concerns that should be brought to the attention of the instructor or class. The instructor will review all D-Group input, and will meet with any D-Group if requested.

With the exception of this written summary, and information shared with the instructor, IT IS ASSUMED THAT ALL D-GROUP DISCUSSIONS WILL BE CONFIDENTIAL. Students must be able to assume that information shared within a D-group will not work its way into the gossip network of the MBA or MLHR Programs.

Suggested topics for D-Group discussion:

Week 1	Course expectations, past negotiation experiences
Week 2	Cooperation and competition, Pemberton
Week 3	Distributive negotiation
Week 4	Integrative Negotiation
Week 5	Integrative Negotiation
Week 6	Personality Q, Dealing with Difficult Negotiators
Week 7	Group negotiations, ethics

Week 8 International Negotiation

Week 9 Self-Assessment Summary: General reflections

### Summary of Grading Components and Points:

	Option A		Option B	
	Percent.	Points	Percent.	Points
Graded Negotiation #1, and accompanying paper	15%	30	20%	40
Graded Negotiation #2, and accompanying paper	15%	30	20%	40
Group Negotiation Paper	20%	40	25%	50
Reputation Index	10%	20	20%	40
Live Negotiation or Summary Paper or Term Paper	25%	50		
Class and D-Group Partic	15%	30	15%	30

### Summary of Due Dates:

D-Group Reports	Due in Monday Class beginning January 13
Jan 27	Paper #1 due on First GRP
Feb 10	Paper #2 due on Second GRP
Mar 3	Group Paper Due on group case
Mar 14	Final Paper(s) due

### The Honor Code As It Applies to This Course

**The Honor Code of The Graduate School, The Ohio State University, applies to all academic work in this course. More specifically, it will be considered a violation of the Honor Code to engage in the following activities:**

- 1. Misrepresenting the written work of others as your own written work.**
- 2. Reading, viewing or discovering the confidential briefing information held by your opponents in any graded role play scenario, by gaining access to that information from your opponent directly or from others who may be playing your opponent's role. (NOTE: THIS MEANS THAT YOU MAY NOT SHOW YOUR BRIEFING INFORMATION TO YOUR OPPONENT AT ANY TIME, AND TO DO SO IS A VIOLATION OF THE HONOR CODE!)**
- 3. Reading, viewing or discovering the confidential briefing information of role play scenarios that may have been used in previous offerings of this course.**

## Course Outline

<u>Class</u>	<u>Date</u>	<u>Topics</u>	<u>Assignment/preparation</u>
			Code: <b>T</b> =text, <b>R</b> =reader, <b>BRC</b> =Bring Reader to Class
1	Jan 6	Introduction Course Objectives	None Handout Questionnaire
2	Jan 8	Basics of Cooperation	Prepare Ex 2 Pemberton <b>BRC</b> Read T, Ch 1 R, 2-1, 2-3 Hand back Questionnaire
3	Jan 13	Basic Structure of Distributive Negotiation	Read T, Ch 2 Prepare The Used Car <b>BRC</b> R, 1-3, 1-4
4	Jan 15	Distributive Negotiation	Prepare Cap. Mort. Co. (A), R 643, <b>BRC</b> Read T, Ch 4 R, 3-3, 5-1
5	Jan 20	No Class--MLK day	
6	Jan 22	Distributive Bargaining	Prepare Pacific Oil (A), R 659 <b>BRC</b> (Read Petrochemical Contracts, R 679, if necessary) Bring \$1-2 to class. Read R, 3-1, 3-2, 6-3
6a	Jan 24	First Graded RP Due at 5 p.m.	
7	Jan 27	Distributive Bargaining Intro to Integrative Barg.	R 1-4, 2-2, 6-2 (applies to class 5) Paper # 1 due
8	Jan 29	Integrative Bargaining	Read T, Ch 3 Read R 4-3 Do RP in class
9	Feb 3	Integrative Bargaining	Read R 5-2, 5-3 & handouts Do PE in class
10	Feb 5	Integrative Bargaining	Read R 4-2,4-4 Read T Chapter 6
10a	Feb 7	Second Graded RP due at 5 p.m.	

11	Feb 10	Integrative Negotiation	Read R, 4-1 Paper # 2 due
12	Feb 12	Personality Gender	Complete distributed questionnaires and R, Q 2 <b>BRC</b> Read R, 11-3, 11-4
13	Feb 17	Dealing with Difficult Negotiators	Read R, 6-4, 11-2, 11-1 Read T, Ch 5 Short RP to be assigned
Outside Class		Group Decision Making	Prepare and do group exercise Read Ch 8
14	Feb 19	Group-on-Group Negot	Read T, Ch 7 Read R 9-2
15	Feb 24	Ethics	Complete Ethics Inventory Read R, 13-1, 13-2 Read T, Ch. 11
16	Feb 26	Power	Bring \$ to Class Read T, Ch 9 Read R, 10-1, 10-2, 9-5
17	Mar 3	Group DM/Negot	Group Paper Due on Jaguar Debrief exercise Read R, 9-1
18	Mar 5	International Negotiation	Prepare Alpha Beta <b>BRC</b> Read R 14-3 Read T, Ch 12
19	Mar 10	Third Parties	Prepare Ex 13 <b>BRC</b> Read R, 12-1, 12-2, Read T, Ch 10
20	Mar 12	Wrapup AWARDS	Complete course evaluation Negotiation and Career Issues