MBA 726: Negotiations
Fall 2013
Dr. Claus Langfred

Class meets: Monday: 6:30 – 10:05pm in ARL 111
Office: Enterprise Hall 207
Office hours: Before class and by appointment
Contact: clangfre@gmu.edu
Course Website: mymason.gmu.edu

COURSE INFORMATION

Course Description:
In the business and organizational contexts, much of our interaction with other actors involves negotiation, bargaining or managing potential conflict. By studying negotiation, the student gains insight into conflict resolution, teamwork, communication, power and influence, career development and ethics. This helps students understand both themselves and those they manage, as they work to be as effective as possible in modern organizations.

Learning Objectives:
- To understand and think about the nature of negotiation. This objective is paramount because many of the important phenomena in negotiation, e.g., interests, goals and cooperation, are ambiguous and often do not have "right" answers - we cannot teach a set of formulas that will always maximize your profit (although they might help).
- To gain a broad intellectual understanding of a set of central concepts in negotiation. These concepts will be the building blocks from which we can systematically understand and evaluate a negotiation process.
- To develop confidence in the negotiation process as an effective means for resolving conflict in organizations.
- To improve analytical abilities in understanding the behavior of individuals, groups, and organizations in competitive situations.
- To provide experience in the negotiation process, including learning to evaluate the costs and benefits of alternative actions and how to manage the negotiation process.
**Learning Objectives demonstrated by:**

- Use of central concepts and broad range of topics in final negotiation project papers.
- Use of concepts in midterm exam, which is based on experiential exercise.
- Improvement in negotiation outcomes during class exercises over the course of the semester (as illustrated in graphs during final class)
- Demonstration of a grasp of negotiation concepts during class discussion and final project presentation.
- Experience in the negotiation process - accumulated through participation in negotiation exercises (nine in all) throughout the semester, and reflected in final goals papers.

**This course addresses the following MBA Program overall Learning Goals:**

- **Communication** – at the core of negotiating successfully and resolving disputes is effective communication and understanding the interests of the other party
- **Ethics and Responsibility** – numerous class exercises, readings and videos address ethical choices either directly or indirectly
- **Analytical Decision Making** – to be able to be successful and effective in a negotiation or dispute setting, it is crucial to use the concepts and tools of this class to properly understand the underlying structure and issues involved.
- **Global Awareness** – an entire class session (and associated negotiation exercise) is specifically targeted at cross-cultural and international negotiation

**COURSE MATERIALS**


In-class Handouts

**COURSE FORMAT**

The course is built around a series of negotiation exercises and debriefings. All exercises require some preparation in advance. Students are expected to be fully prepared for exercises prior to class and to participate in the debriefings. While some class time may be provided when group preparation is required, students may occasionally have to meet outside of class.

The central issues in this course deal with understanding the behavior of individuals, groups, and organizations in the context of competitive situations. A basic premise of this course is that while analytic skills are needed to discover optimal solutions to problems, a broad array of negotiation skills is often needed to get these solutions accepted and implemented. This course will allow students the opportunity to develop these skills experientially and to understand the negotiation in useful analytical frameworks.
COURSE REQUIREMENTS

1. Goals/learning papers.
   a.) A one to two page statement of goals for yourself in the class. Due in the second week of class. Discuss your negotiation strengths and weaknesses with respect to the ideas in Getting to Yes. Set some specific goals. (5%)

   b.) A one or two page statement of goals for continued improvement of your negotiation skills. Due on the final day of classes. You should review your class notes and your initial goals statement before writing this paper. What have you accomplished in terms of goals you set? What do you need to continue to work on? (5%)

2. Participation, including attendance/tardiness (20%)
   Your preparation and execution of the exercises and contribution to the debriefing discussion. (20%)

   Your preparation involves having read and prepared the negotiation exercise for that day. I try to observe as many negotiations as possible on any given day, and it is usually quite obvious when a student has not prepared an exercise. This harms your negotiation partner's experience as well as your own, and will be noted by me, and taken into account in the final assignment of participation scores.

   Participation in class discussion involves **active** participation that **contributes** to the class. Attendance is required, and is therefore not rewarded. Merely showing up and having read the assigned reading does not get you any credit. Active participation means that you speak up in class. Whether this is by answering questions, making observation, commenting on other students' comments or criticizing the instructor's view does not matter. The second requirement is that what you say actually contributes - merely opening your mouth and having sounds emerge does not count. Neither does repeating comments made by other students, or telling the class that you agree with what someone else said. Your comments should move the discussion forward.

   If you are shy, prefer to sit quietly in the back, or just do not feel comfortable speaking in front of your classmates, my suggestion is that you see this class as a challenge to improve those skills. No such excuses will be accepted when the day is done and the grades are assigned.

   NOTE: The class has a strict attendance policy: You must provide me with prior notice if you absolutely have to miss a class. If you do not provide such notice, your negotiating partner(s) for the day is left hanging and many people can end up being inconvenienced. If you miss class without prior notice to the instructor, you may be severely penalized in the final grading of the course.

   Similarly, you need to be on time for each class in which there is a negotiation scheduled. If you show up late, it will harm your partner(s) for the day, and can delay the entire class as negotiation assignments have to be rearranged.
The course outline contains the dates for all negotiation exercises. This schedule will not be changed (except for unforeseen weather or other unplanned events). If you have to miss an exercise, please contact me in class or email me. You must notify me at least 24 hours before class.

3. Midterm Exam (30%)

There will be an in-class midterm exam around the middle of the course. The exam will cover the concepts discussed in class to date, the readings, and will focus on a particular in-class exercise. The exam will ask you to apply the concepts to the exercise.

4. Final Paper & Presentation (30% and 10%)

A final paper is due during Finals week, along with a class presentation which will take place during the final class meeting. The paper should be about 15 pages (double-spaced, Times New Roman, 1” margins) of analysis, in addition to however many pages are necessary to describe the situation or setting (so it might be as long as 20 pages). You will work in your groups. You may choose a format from below, or you may negotiate an alternative format with me.

Please turn in a summary paragraph of your topic for approval by week 4.

a. Analyze a negotiation situation about which you have personal knowledge, or have access to participants.
b. Analyze a negotiation situation in which you have interest, but will have to use publicly available documents.
c. Write a negotiation exercise, run it with a small number of couples or groups, edit it, and write a debrief outline. The paper would explain the underlying logic and purpose of the exercise, and describe the process of how it was developed, and how well it works.

Papers in formats (a) and (b) usually take several pages to set up and describe the situation. Such papers then concentrate on analysis. What were the parties’ interests? What went wrong (or right), and why? What could have been done differently? How was the process linked to the outcome?

Papers in format (c) most often founder when the focus is the situation, not an underlying negotiation learning point. Pick your learning point(s) before you pick your situation. Try not to make the exercise too complicated. If you are relying on a real situation, it is okay to depart from the real facts of the case in order to make it a better learning exercise.

Grading of the paper will focus on your ability to use concepts from class to analyze a negotiation situation. (30%)

Grading of the presentation will focus on the clarity and style of your presentation. (10%)
OVERALL COURSE GRADING

Grades for the class will be assigned according to the percentage components outlined above.

Your score for any graded assignment during the semester (such as the midterm) will be the number of points out of the total possible. You will not receive a letter grade for assignments during the semester. A letter grade is calculated at the end of the semester, and is based on your cumulative score on all grades assignments.

Your final letter grade will be determined by your proximity and relatively position to the class mean. In general, in an elective MBA class, approximately half the grades are a type of A and half are a type of B. Those people who are above the mean will be more likely to receive an A of some type – with A- being just a little above the mean, and A being significantly higher than the mean. By the same token, being slightly below the mean will usually translate to a B+, and being further below the mean will translate to a B or a B-. This should not be interpreted to imply that a B is guaranteed in the course. I will absolutely hand out grades of C and even F, if they are warranted. Obviously, if someone does incredibly badly on graded components (or fails to turn in assignments), it is entirely possible to drop so far below the rest of the class that I have no choice but to issue the C, or even the F.

Because the final letter grades are determined by the class mean, and by the unique distribution that will appear, it is not possible to say exactly where specific grade cut-offs will be located. Ultimately, if you are very motivated to get a high grade in the class, you need to make sure that you are doing better on grade components than your peers.

In the event of a grading dispute - which would most likely occur following the midterm or the final project - the procedure is as follows:

1. Think hard about why you believe your grade should have been different.
2. Write down the reasons why you believe your grade should be changed.
3. Give me the written explanation, and I will respond to it as quickly and fairly as possible.

A Note on Team Grades and Free Ridership. All team members will get the same grade on the team assignments unless a majority of the team decides to change to a peer performance appraisal system. Under such a system, members will rate one another's contribution to the team assignments and individual grades will be adjusted (both upward and downward) based on these ratings. If you decide to go with the peer performance appraisal system, prepare a document to that effect signed by a majority of your team to be submitted with the team assignment(s), and then I will contact you for your evaluation of your fellow team members’ contributions.

One final note: I will not accept 'retroactive excuses' by students. By this I mean students bringing up ameliorating circumstances to justify their poor performance at the end of the semester. If there are unique or unusual circumstances that prevent you from doing as well as you normally might -- such as illness or death in your family, a mental or learning disability, a struggle with chemical dependence, etc. - - you must inform me at the beginning of the semester, or as soon as it happens. I make no guarantees as to what is acceptable and what is not, but I encourage you to communicate any problems to me sooner rather than later, so that we can try to work around it.
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<thead>
<tr>
<th>Class</th>
<th>Date</th>
<th>Content</th>
<th>Turn in/Due</th>
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<tbody>
<tr>
<td>1</td>
<td>Aug 18</td>
<td><strong>Introduction to Negotiation and Negotiation Strategy</strong></td>
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<td>Case: Moms.com</td>
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<td>2</td>
<td>Aug 25</td>
<td><strong>Negotiation Strategy: Creating and Claiming Value</strong></td>
<td>Goals paper I</td>
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<td>Case: Texoil</td>
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<td>3</td>
<td>Sep 1</td>
<td><strong>LABOR DAY – NO CLASS MEETING</strong></td>
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<td>Watch online video: Canadian UAW/GM Strike</td>
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<td>4</td>
<td>Sep 8</td>
<td><strong>Power and Dispute Resolution</strong></td>
<td>Paper Topic</td>
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<td>Case: Chestnut Drive</td>
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<td><em>(May require some group preparation outside of class)</em></td>
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<td>5</td>
<td>Sep 15</td>
<td><strong>Power and Dispute Resolution (cont’d)</strong></td>
<td>Midterm</td>
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<td>Midterm Exam</td>
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<td>6</td>
<td>Sep 22</td>
<td><strong>Agency in Negotiations and Ethics</strong></td>
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<td>Case: Bullard Houses</td>
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<td>7</td>
<td>Sep 29</td>
<td><strong>Salary negotiations</strong></td>
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<td>Case: New Recruit</td>
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<td>8</td>
<td>Oct 6</td>
<td><strong>Cross-cultural Negotiations</strong></td>
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<td>Case: Alpha-Beta</td>
<td><em>(Will require some group preparation outside of class)</em></td>
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<td>9</td>
<td>Oct 14 TUES</td>
<td><strong>Coalitions and Group Decisions</strong> – CLASS ON TUESDAY**</td>
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<td>Case: Nuclear</td>
<td><em>(May require some group preparation outside of class)</em></td>
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<td>10</td>
<td>Oct 20</td>
<td><strong>Claiming and Creating Value, Revisited</strong></td>
<td>Team Presentations Goals Paper II</td>
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<td>Case: El-Tek</td>
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<td>11</td>
<td>Oct 25</td>
<td><strong>Finals weekend – NO CLASS MEETING</strong></td>
<td>Team Paper</td>
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**SCHOOL OF BUSINESS STANDARDS OF BEHAVIOR:** The mission of the School of Business at George Mason University is to create and deliver high quality educational programs and research. Students, faculty, staff, and alumni who participate in these educational programs contribute to the well-being of society. High quality educational programs require an environment of trust and mutual respect, free expression and inquiry, and a commitment to truth, excellence, and lifelong learning. Students, program participants, faculty, staff, and alumni accept these principles when they join the School of Business community. In doing so, they agree to abide by the following standards of behavior:

- **Respect** for the rights, differences, and dignity of others
- **Honesty and integrity** in dealing with all members of the community
- **Accountability** for personal behavior

Integrity is an essential ingredient of a successful learning community. Ethical standards of behavior help promote a safe and productive community environment, and ensure every member the opportunity to pursue excellence. School of Business can and should be a living model of these behavioral standards. To this end, community members have a personal responsibility to integrate these standards into every aspect of their experience at the School of Business. Through our personal commitment to these Community Standards of Behavior, we can create an environment in which all can achieve their full potential.

**Honor Code Statement: Example**-

- **Honor System and Code:** The Honor System and Code adopted by George Mason University will be enforced for this class: www.gmu.edu/departments/unilife/honorcode. In your work on all written assignments, keep in mind that you may not present as your own the words, the work, or the opinions of someone else without proper acknowledgement. You also may not borrow the sequence of ideas, the arrangement of material, or the pattern of thought of someone else without proper acknowledgement.

Please note: **Faculty are obligated** to submit any Honor Code violations or suspected violations to the Honor Committee **without exception.**

**Business Library Liaison Information:**

Jo Ann J. Henson, MLIS Business and Economics Liaison Librarian
Fenwick Library Fairfax Campus: [http://infoguides.gmu.edu/business](http://infoguides.gmu.edu/business)

**Disability:** If you have a disability and you need academic accommodations, please see me and contact the Office of Disability Services (ODS) at 703-993-2474. All academic accommodations must be arranged through the ODS. Please take care of this during the first two weeks of the semester. More information about ODS is available at [http://www.gmu.edu/student/drc](http://www.gmu.edu/student/drc)

**Religion:** Students who will miss class for religious reasons should inform me of their anticipated absences as soon as possible.
• **Counseling center:** George Mason University has a counseling center that can provide assistance if you find yourself overwhelmed by life, want training in academic or life skills, or the like. More information is available at http://www.gmu.edu/departments/csdc/

• **Writing Guidelines:** Unless otherwise specified, all writing assignments should be formatted as follows: **double-spaced, Times New Roman, 12-point font, and 1-inch margins.** To cite and reference professional or academic sources, please use APA style. Specific instructions for in-text citations and referencing are found in the Publication Manual of the American Psychological Association 6th Edition or at http://owl.english.purdue.edu/owl/resource/560/01/.

To help manage the citations and seamlessly create reference lists, Mason supports a free software called Zotero. Please go to https://www.zotero.org/

This program offers:
- Centralized bibliography management
- Ability to sync across computers
- Teams can combined contribute to the references
- Word plug-in that allows citation management within MS word

George Mason University has a writing center that can help you improve your English writing skills. More information is available at http://writingcenter.gmu.edu/

• **Inclement weather & campus emergencies:** Information regarding weather related changes in the University’s schedule (e.g., closing or late opening) will be provided on the GMU website and via MasonAlert. Students sign up for the Mason Alert system to provide emergency information of various sorts at https://alert.gmu.edu.

• An emergency poster exists in each classroom explaining what to do in the event of crises and that further information about emergency procedures exists on http://www.gmu.edu/service/cert.