Course Overview

One of the most important skills you can learn at Sloan is how to effectively negotiate. Negotiations occur both in our professional and personal lives, from complex contracts to daily interactions. The flattening of organizations means we are all increasingly finding ourselves negotiating with peers, managers, subordinates, collaborators, clients, and partners. Although we negotiate all the time, most of us have not systematically learned and practiced effective negotiation strategies.

Negotiating is a skill that can be learned and improved. But, like playing tennis or chess, it requires know-how and practice. Learning to become an effective negotiator is not predominantly a matter of listening to lectures, but of actively participating in negotiation simulations that give you a chance to experience and experiment with different negotiation strategies and tools. This course provides multiple opportunities to practice your negotiating skills, to correct many mistakes that naïve negotiators tend to commit, reflect upon your experiences, and increase your effectiveness. The essence of this course can be distilled to: Practice, Reflect, Analyze, and Practice again.
Goals and Learning Objectives

After taking this course you will be able to:

- Garner your fair share of what is negotiated
- Recognize opportunities to create value that others might overlook
- Strategically analyze negotiation situations and avoid common mistakes
- Build lasting working relationships with negotiation counterparts
- Handle difficult conversations in business and life
- Reflect and learn from your experiences

Course Content

Class 1 - Introduction to Negotiations
September 10, 2015

Simulation: The Oil Pricing Game

Class 2 - Slicing the Pie: How to Win
September 17, 2015

Simulation: Used Car I & II

Readings:

Class 3 – Expanding the Pie: How Both Parties Can Win
September 24, 2015

Simulation: Pakistani Prunes
Sally Soprano

Readings:
**OCTOBER 1: DUE DATE FOR PROPOSING PAPER TEAM AND TOPIC**

Class 4 – The Negotiator’s Dilemma and Discovering your Style  
October 1, 2015

<table>
<thead>
<tr>
<th>Simulation:</th>
<th>The New Recruit</th>
</tr>
</thead>
</table>
| Readings:   | • *Getting to Yes: Negotiating Agreements Without Giving In*.
|             | Roger Fisher    |
|             | and William Ury. Chapters 6-8. |
|             | • *Negotiating a Job Offer*.
| Due:        | • Team Paper Proposal: Group and Title on google doc |

Class 5 – Dealing with Emotions  
October 8, 2015

<table>
<thead>
<tr>
<th>Simulation:</th>
<th>The Tribes Exercise (led by special guest Professor Daniel Shapiro, Harvard)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Readings:</td>
<td>• <em>Beyond Reason: Using Emotions as you Negotiate</em>, Fisher and Shapiro, pp 3-114</td>
</tr>
</tbody>
</table>

Class 6 – Difficult Tactics and Overcoming Obstacles to Win-Win  
October 15, 2015

<table>
<thead>
<tr>
<th>Simulation:</th>
<th>Myti Pet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Readings:</td>
<td>• Review <em>Beyond Reason: Using Emotions as you Negotiate</em>, Fisher and Shapiro</td>
</tr>
</tbody>
</table>
**OCTOBER 29: DUE DATE FOR REAL LIFE MEMO (DUE BEFORE CLASS)**

Class 7 – The Centrality of Relationships  
October 29, 2015

<table>
<thead>
<tr>
<th>Simulation:</th>
<th>Aerospace Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exercise:</td>
<td>Thomas-Kilmann Self-Assessment</td>
</tr>
<tr>
<td>Due:</td>
<td>• Real Life Memo</td>
</tr>
</tbody>
</table>

Class 8 – Negotiating the Next Generation Social Contract  
November 5, 2015

| Simulation: | The Next Generation Social Contract (led by professor Tom Kochan, MIT) |

Class 9 – Multiparty Negotiations and Coalitions  
November 12, 2015

<table>
<thead>
<tr>
<th>Simulation:</th>
<th>Coalition Game</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>World Trade Center Redevelopment</td>
</tr>
</tbody>
</table>

**NOVEMBER 19: DUE DATE FOR GROUP PAPER**

Class 11 – Getting to Yes Even When It’s Hard  
November 19, 2015

<table>
<thead>
<tr>
<th>Simulation:</th>
<th>The Power Screen Problem</th>
</tr>
</thead>
<tbody>
<tr>
<td>Readings</td>
<td>Review <em>Getting to Yes</em></td>
</tr>
<tr>
<td>Due:</td>
<td>• 2 hardcopies of group paper due in class</td>
</tr>
</tbody>
</table>
Class 12 – The Power of Fairness and Ethics in Negotiations
December 3, 2015

<table>
<thead>
<tr>
<th>Simulation:</th>
<th>A Newport Girl Doll Company</th>
</tr>
</thead>
</table>

**DECEMBER 10 : DUE DATE FOR FINALE MEMO**

Class 13: Student-Led Simulations
December 10, 2015

__________________________________________________________

Course Materials


These books can be purchased at the COOP

Course Reader and Simulations: All other articles and book chapters can be found in the “materials” section of the Stellar website.

Simulation handouts will be distributed in class.

Requirements

Weekly readings: Please read the articles or chapters assigned to each week ahead of class.
The list and sequence of weekly readings may change during the course of the semester depending on the way the course unfolds. In case of additional readings, these will be distributed to you in class at least one week in advance.

**Weekly Simulations:** In this course learning mostly occurs not by reading and talking but by doing and experiencing. Because of the importance of practice to negotiations, class sessions will involve at least one negotiation simulation.

For some simulations you will be asked to prepare your role in advance of class. It is extremely important for you to prepare carefully. Many of the simulations require close reading of background information and confidential instructions for each role. To avoid wasting your and your bargaining counterparts’ time, please come fully prepared to class.

To make the simulations meaningful learning experiences DO NOT share or discuss your confidential instructions with the counterparty.

**Reflective Memos:** Reflecting critically on one’s own choices and actions is crucial for strengthening one’s negotiation skills. You are required to write 5 one-page single spaced memos (300-500 words) over the semester.

(A) **Simulation Memos:** For three of these memos, you should select a particular negotiation simulation performed in class in which you participated. By applying the relevant concepts dealt with in class and in the readings, try to address the following questions: What did you do well? What did you not do well? What will you do differently next time and why?

**DUE date simulations:** Each of the three simulation memos is due in class the week after the simulation upon which you reflected. Please turn in a hardcopy of your memo to your TA.

You may choose to reflect on any 3 simulations. **Please note that for the last class in the course there is no simulation for you to reflect upon.**

(B) **Real Life Memo:** To fully internalize the negotiations skills learned in the classroom it is important to experiment using these skills outside the classroom. For one of your five memos you should analyze a “real life” negotiation that you experience outside the classroom. If you happen to be already engaged in a negotiation during the semester, whether in your professional life or personal life, you may reflect upon that. Another alternative is to create a negotiation situation. One fun way to do this is to
negotiate a typically “non-negotiable” item like a candy bar at a grocery store. You could also try to negotiate free food or other “freebies” for the entire class (see the “Freebie Challenge” described below). This memo should describe your preparation, strategy, the outcome, and what you learned from the experience.

**DUE date Real Life Memo: October 29 before class.**

**(C) Grand Finale Memo:** For the final (5th) memo reflect back on what you’ve learned in the course of the semester, how your negotiation style has changed, and what you still want to work on going forward. As part of this memo please think back to some very significant negotiation that occurred earlier in your life, and reflect on how you might have approached this negotiation differently in light of the concepts learned in this class.

**Due date Grand Finale Memo: December 10 before class.**

All five memos will be graded with a check (typical grade for a memo), check-plus (exceptionally good memo which exhibits insights from integrating experience with concepts learned in class and the readings), or check-minus (below average memo).

The purpose of the memos is not to get it “right” but to become self-aware by digging deep and clearly reflecting about your own learning as a negotiator. The memos are a way to encourage you to integrate your experiences inside and outside the classroom for greater insight and skill in negotiating.

**Group paper and presentation:**

After forming a team with 4-6 classmates please collectively research and write a 7-10 page paper (double-spaced, maximum 3000 words) investigating a real-world conflict situation of your own choosing. You may gather data on the conflict situation through secondary sources (media accounts, books, scholarly research) or primary sources (e.g., interviews of the parties involved). Apply the concepts analyzed in the class and readings to explain the negotiation situation, and provide suggestions as to how the parties may be brought to an agreement, or alternatively how the bargaining strategies adopted by one or more of the parties could be improved. All members of the team will be evaluated equally, so it is up to you to negotiate an equitable distribution of efforts and contributions within your team.

In an appendix to the paper (which is not included in the paper word count), please create an interactive class exercise that brings to life the key lesson learned from your paper. The goal of the exercise is NOT to explain
the nuances of your paper or demonstrate your brilliance (save that for the paper!), but to distill the essential lesson and unleash your creative spirits to think of how you might drive home this lesson to your classmates. Be creative in your exercises: create a dramatization, invent a short game, a funny skit or another type of exercise or simulation - whatever you think would work to teach the core lesson. The exercise should take no more than 40 minutes start to finish, including setup time and debrief (it may be shorter but make sure you include a minimum of 10 minutes for a debrief discussion after any exercise). A good exercise is one that is (i) highly engaging to your classmates, (ii) teaches an important and interesting negotiation lesson, and (iii) is practically feasible within the time constraints. The exercise needs to be described with sufficient specificity to give us a clear sense of what your team would do with the class if your exercise is selected for presentation.

A few groups will be selected to run their exercise during class on December 10, and such selected groups will be notified 7 days in advance to allow sufficient time to incorporate any feedback and to hone the exercise. I will generally refrain from intervening during presentations to give you autonomy to present the lesson as you see fit. If your group is picked to present in class this will be positively reflected in your paper grade and in your class participation grade.

**DUE date Final paper and exercise: November 19.**

Note: please turn in **2 hardcopies** in class.

**Class Participation:** Active participation is a key ingredient to learning in this class. Even if you do not typically speak in class, I urge you to use this class as a safe space to experiment with sharing your thoughts. We will be grading your class participation. We particularly encourage you to make comments that have one or more of the following attributes: (1) offer an original and relevant perspective on the issue, (2) move the analysis forward by building on previous contributions, (3) apply concepts to concrete situations. (Note: once you have spoken in a given class session please pause before raising your hand again so that other students have a chance to participate. If after your pause no new hands are raised, feel free to raise yours.)

**Attendance:** Students taking this course are expected to regularly attend every class, to arrive (and leave) on time, and to be well prepared for all simulations and in-class exercises. Your own learning and that of your classmates depends on your attendance and timely arrival. Because simulations partners are sometimes assigned in advance, absences can have a significant negative impact on your assigned negotiation partner. Likewise, since we often conduct simulations at the beginning of class, a late arrival causes significant disruption to the class. Therefore, the attendance policy in
15.665 is strict: no absences are allowed. If you believe you have a truly exceptional circumstance that requires your absence, you must notify your TA at least 48 hours prior to class. If you have an exceptional circumstance and provide 48 hours advanced notice to your TA you will not be penalized for the first absence. However, any further absences, will have a negative impact on your participation and attendance grade, and such negative impact will be greater if you not provide 48 hours advance notification to your TA.

**Freebie Challenge:** In the spirit of experimentation and fun, I challenge those of you who want to push your negotiation skills to try to negotiate free food, drinks or other “freebies” for the entire class. Approach restaurant owners or other vendors, and negotiate on behalf of the class. (In the past some students have convinced local restaurants to provide free food as a marketing strategy). Any food or other freebies will be shared in the last session. While this exercise is purely voluntary, booty that comes with a good negotiation story will enhance your class “participation” grade.

**List of Written Assignments and Due Dates:**

1) 3 simulation memos due in class the week after the simulation
2) Paper team and topic: **October 1**
3) Real life memo due before class on **October 29**
4) *Group paper and exercise* due before class on **November 19**
5) *Grand finale memo* due before class on **December 10**

**Grading Breakdown:**

1) 5 Reflective Memos (8% each) 40% of final grade
2) Group paper and exercise: 30% of final grade
3) Class attendance and Participation: 30% of final grade

**CONFIDENTIALITY**

**Privacy:** A sense of openness and trust among participants will increase our ability to share with and learn from one another. We want the class to be a safe place to try out new styles of negotiating and new ways of thinking. Therefore, we ask that you exercise higher than normal discretion in talking about the experiences, behavior, or comments of others. This is particularly important when you are speaking to those outside of our course. We will do the same.

**Integrity of the negotiation simulations:** In many of the exercises this semester, you will be given confidential instructions. Please do **not** share these instructions with participants who have different roles in the exercise. We will often provide opportunity after the completion of an exercise to share these instructions with those on the other side and to reflect on the experience.
together. Additionally, please refrain from talking about the details or structure of the negotiation exercises with people outside of the course. To invent and refine a case is a laborious task, sometimes taking several years. If either the structure of a case (i.e., its basic challenge) or the substantive facts of one or both sides become widely known, the case would be of little use to future participants.

The following message is brought to you by Sloan’s administration:

The MIT Sloan Mission

http://mitsloan.mit.edu/about/mission.php

The mission of the MIT Sloan School of Management is to develop principled, innovative leaders who improve the world and to generate ideas that advance management practice.

Values@MIT Sloan

https://sloanpoint.mit.edu/administration/values/Pages/default.aspx

The MIT Sloan Mission statement (above) provides the context for core values that express who we are at our best. These core values include integrity, respect, collaboration, innovation, and positive impact. We invite all members of our community – students, staff, faculty, alumni – to practice these values in all the ways we work together, both inside and outside of the classroom.
MIT Sloan Policy on Classroom Behavior

In order to create a productive learning environment and to ensure mutual respect it is essential that the norms and rules of classroom etiquette and behavior reflect the highest standards. It is also important that these norms be consistently enforced by the faculty across all classes. Although in the final analysis each faculty member is responsible for his or her own classroom, there are significant negative consequences for other faculty and for the School if rules are not consistent and are not enforced. Therefore it is the policy of the MIT Sloan School that

- Students are expected to arrive promptly on time and to stay for the entire class.
- Faculty are expected to begin and end class on time.
- Laptops and e-readers not be open in the classroom except with explicit permission of the faculty (e.g., when used to deliver an e-course pack or otherwise used as part of the instructional program or when required by students because of physical or other challenges)
- Cellphones and PDAs are not to be used or permitted to ring in the classroom.
- Students are expected to attend all classes.

It is expected that faculty will articulate how these rules apply in their class as well as how the rules will be enforced.

MIT Sloan Career Development Office Recruiting Policy

Students are required to schedule campus interviews outside of scheduled class times and to make every attempt to schedule second round interviews and site visits outside of class times. Classes missed for such activities are not excused absences and may count against your participation grade.

ACADEMIC HONESTY – INTEGRITY IN PRACTICE

As a member of the MIT Sloan academic community, you are expected to uphold the highest standards of academic integrity. Violations of academic integrity include, but are not limited to, cheating, plagiarism, unauthorized collaboration, and facilitating academic dishonesty. Please see the document Academic Integrity at the Massachusetts Institute of Technology: A Handbook for Students for further discussion of this topic. These standards are also discussed below, specifically regarding plagiarism, individual work, and team work.

It is your responsibility to make yourself aware of MIT’s rules of academic integrity and to adhere to them. When students are found to have violated academic standards, disciplinary action will result. Possible consequences include grade reduction, an F grade, a transcript notation, delay of graduation, or expulsion from MIT.
This discussion of academic integrity below is not exhaustive, and there may be areas that remain unclear to you. **If you are unsure whether some particular course of action is proper, it is your responsibility to consult with your professor and/or teaching assistant for clarification.**

**Plagiarism**

Plagiarism occurs when you use another's intellectual property (words or ideas) and do not acknowledge that you have done so. Plagiarism is a very serious offense. If it is found that you have plagiarized -- deliberately or inadvertently -- you will face serious consequences, as indicated above.

The best way to avoid plagiarism is to cite your sources - both within the body of your assignment and in a bibliography of sources you used at the end of your document.

Materials gathered through research via the Internet must be cited in the same manner as more traditionally published material. Lack of such citation constitutes plagiarism.

To review rules of citation: [http://libguides.mit.edu/content.php?pid=80743&sid=598642](http://libguides.mit.edu/content.php?pid=80743&sid=598642)

**Individual Assignments**

Many assignments in MIT Sloan courses are expected to be done individually. The information below outlines what is meant by “individual” work. These rules should be observed unless otherwise defined by the instructor.

When you are asked to do **individual** work, you are expected to adhere to the following standards:

- Do not copy all or part of another student’s work (with or without “permission”).
- Do not allow another student to copy your work.
- Do not ask another person to write all or part of an assignment for you.
- Do not work together with another student in order to answer a question, or solve a problem, or write a computer program jointly.
- Do not consult or submit work (in whole or in part) that has been completed by other students in this or previous years for the same or substantially the same assignment.
- Do not use print or internet materials directly related to a case/problem set unless explicitly authorized by the instructor.
- Do not use print or internet materials without explicit quotation and/or citation.
- Do not submit the same, or similar, piece of work for two or more subjects without the explicit approval of the two or more instructors involved.

Please note that many classes will require a combination of team work and individual work. **Be sure that you follow all the guidelines for individual work when a faculty member identifies an assignment as an individual one.**

**Team Assignments**

When you are asked to **work in teams**, there is a broad spectrum of faculty expectations. Three general types of appropriate collaboration on team assignments are described below. The instructor will indicate in the syllabus what his/her expectations are. If there is any uncertainty, it is the student’s responsibility to clarify with the professor or TA the type of team work that is expected.

Type 1 collaboration:
The professor states that collaboration is allowed, but the final product must be individual. An example of this might be a problem set.

- You are allowed to discuss the assignment with other team members and work through the problems together.
- What you turn in, however, must be your own product, written in your own handwriting, or in a computer file of which you are the sole author.
- Copying another’s work or electronic file is not acceptable.

Type 2 collaboration:
The professor states that collaboration is encouraged but that each person's contribution to a given deliverable does not have to be substantial (allowing groups to take a "divide and conquer" approach). An example of this might be a brief progress report that is part of a more extensive collaboration (as a whole, the more extensive collaboration may be Type 3).

- Each team member is encouraged to contribute substantially to the team assignment, however, the team may choose to assign one or more team members to prepare and submit the deliverable on behalf of the team.
- Regardless of how work is shared or responsibilities are divided among individual team members, each member of the team will be held accountable for the academic integrity of the entire assignment. If, for example, one member of the team submits plagiarized work on behalf of the team, the entire team will be subject to sanctions as appropriate.
- The team may not collaborate with other students outside of the team unless the professor explicitly permits such collaboration.

Type 3 collaboration:
The professor states that collaboration is expected and that each team member must contribute substantially to the deliverable. An example of this might be the 15.311 OP project.

- Each team member must make a substantial contribution to the assignment. It is not, for example, acceptable to divide the assignments amongst the team members (e.g., part of the team completes the OP Project while the rest of the team prepares a team case for DMD), though the team may divide the work of any one assignment to complete it as they deem appropriate.
- The team may not collaborate with other students outside of the team unless the professor explicitly permits such collaboration.

*If you are unsure whether some particular form of interaction is proper in individual or team work, it is your responsibility to consult the instructor and/or teaching assistant for clarification and guidance.*