Negotiation is the art and science of securing agreements between two or more parties who are interdependent and seek to maximize their outcomes. We negotiate daily with potential employers, colleagues, bosses, landlords, merchants, service providers, partners, parents, children, friends, roommates, and many more. Although we negotiate often, many of us know very little about the strategy and psychology of effective negotiation. As a manager you not only need analytical skills to discover optimal solutions to problems, you also need good negotiation skills to get these solutions accepted and implemented.

The learning method is experiential. You will prepare for and simulate a variety of negotiations. The skills you develop will serve you in both your professional and personal life. Unlike real life, however, you will have access to three unique sets of data:

1. How you performed relative to others who had the same role, information, and objectives
2. How successful you were in maximizing the potential for value creation in the negotiation
3. How you were perceived by the other party

If you had this information in every negotiation you faced, imagine how quickly you could improve your “Return on Mistakes” and your performance. You can expect to see a huge spike in your ROM in this class.

**OBJECTIVES**

1. Understand and absorb a set of concepts integral to preparing, negotiating, and evaluating the negotiation process and outcomes, including:
   - BATNA and Reservation Price
   - ZOPA or Bargaining Zone
   - Value Creation
   - Value Claiming
   - Aspiration
   - Distributive and Integrative Issues
   - Coalitions

2. Develop your ability to negotiate effectively by:
   - Understanding your own strengths and weaknesses as a negotiator
   - Preparing effectively
   - Asking good questions
   - Communicating persuasively
   - Identifying opportunities for integrative solutions
   - Adapting tactics to the circumstances
   - Knowing whether you have reached a good outcome
MATERIALS


If you purchase an on-line copy of the Bargaining for Advantage the Bargaining Styles Assessment (Appendix A) is sometimes -not included. You can find a copy on NYU classes under Resources.

Note: I will only make limited references to the text in class because it is an easy read and is designed to provide us with a common starting place. That said if you have questions about anything you read or about how to apply the information please ask me in class.

2. Exercise Materials: The exercises we use in this course are copyrighted and there is a fee for their use, which you pay via the NYU Bookstore. The cost is $24.50 and the fee is collected by the NYU bookstore. To pay the fee, please go to the NYU Book Store website:

- Go to the NYU Book Store web site: http://www.bookstores.nyu.edu
- Click on the "Search for a Book" link
- Select the "Search by ISBN" option and enter 978200009432B
- Proceed to Checkout and complete your order
- Tax and shipping charges will be removed before your credit card is charged

You are purchasing a license to use the materials so you will not receive a downloadable file. I will hand out the exercise materials in class as we need them.

EVALUATION CRITERIA

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Engagement &amp; Participation</td>
<td>20%</td>
</tr>
<tr>
<td>Moms.com Draft Negotiation Plan</td>
<td>5%</td>
</tr>
<tr>
<td>2 Negotiation Plans</td>
<td>50%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>25%</td>
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</tbody>
</table>

Engagement & Participation (20%). Much of the learning in this class comes from participating in and reflecting on your own experience and the experience of your classmates. So missing a class will have a significant downward effect on your learning and your grade.

The only exceptions are for a religious or civic obligation, a serious family emergency, or a serious illness. If this is your situation, please provide me with a brief note explaining the matter as soon as you reasonably can.

Quantity of participation, if lacking in quality, will not be rewarded. Quality participation has one or more of the following characteristics:

- Comprehension: Listening to the comments of your classmates and building on them; waiting for your turn to speak is not the starting point of good participation.
- Courtesy: Respecting and observing the rules of the game and the rights and dignity of your classmates; limiting participation to a fair share.
• Coherence: Providing a careful analysis and turning vague ideas into precise statements; integrating experiences and learning material with class-room discussion.

• Courage: Willingness to take risks by espousing unpopular ideas, challenging authority, asking good questions.

Moms.com Draft Negotiation Plan (5%). This assignment is meant to ensure that everyone is prepared for our negotiation on Thursday evening. I provide more detail during our first class. And if you think the quality of your Moms.com planning document is high you may submit this work for grading (see below). This assignment is due by 5:59pm on Thursday 8/18.

Negotiation Plans (50%). You will complete two negotiation plans for this course. Four negotiations are eligible for a planning document—Moms.com, El-Tek, Federated Science and Harborco (see course map for options). To learn as much as possible I recommended that you do either Moms.com or El-Tek for your first negotiation plan and either Federated Science or Harborco for your second negotiation plan.

You must use the planning document in Appendix B of Bargaining for Advantage. A copy of this template can be found in the Resources section on NYU Classes. Please do not be constrained by the size of the boxes in the template. And if you don’t have information, or enough information about the opponent you should make the best guess you can.

Your planning documents are due by 10pm the evening before we conduct the negotiation in class (upload to NYU CLASSES). The due dates and eligible negotiations are highlighted in the course map at the end of this syllabus.

Final Exam (25%). This is a short-answer exam taken via NYU Classes that you will have 3 hours to complete. Your completed exam is due no later than August 30th at 10pm. You can choose anytime between our last day of class and August 30th to complete the exam.

Be sure to have access to PPT or Word because you will need to draw graphs. You will also need to be able to watch a video.

Honor Code

During orientation, you signed the Stern MBA Honor Code, promising not to “lie, cheat or steal to gain an academic advantage, or tolerate those who do” (http://w4.stern.nyu.edu/scorp/committee.cfm?doc_id=4797). The Honor Code applies to your conduct in all classes, including this one. Suspected infractions will be referred to the MBA Judiciary Committee.
<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Topic</th>
<th>Negotiation</th>
<th>Assignments</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 16</td>
<td>6-9pm</td>
<td>Introduction/Relational Currencies</td>
<td>Rudolph-Lama</td>
<td>Read <em>Shell</em>: Chapters 1-4 &amp; Appendix A</td>
<td>Before first class</td>
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<td>(Prepare in class)</td>
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<td>August 18</td>
<td>6-9pm</td>
<td>Creating vs. Claiming Value</td>
<td>Moms.com</td>
<td><em>Shell</em>: Chapters 7-10</td>
<td>August 18 (5:59pm)*</td>
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<td>August 21</td>
<td>9am-Noon</td>
<td>What is an Effective Negotiation?</td>
<td>In-Class Exercises</td>
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<td></td>
<td>1-4pm</td>
<td>Creating vs. Claiming Value Part II</td>
<td>El-Tek</td>
<td>Read <em>Shell</em>: Chapters 11-12</td>
<td>August 20 (10pm)*</td>
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<td>August 23</td>
<td>6-9pm</td>
<td>Transactions &amp; Coalitions</td>
<td>Virtual Victorian</td>
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<td></td>
<td>Federated Science</td>
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<td>August 25</td>
<td>6-9pm</td>
<td>Intra- and Extra-Organizational Dynamics</td>
<td>Harborco</td>
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<td>August 24 (10pm)*</td>
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</tbody>
</table>

*Final Exam is due no later than August 30th at 10pm*

* Indicates that the negotiation for this session is eligible for writing a negotiation plan. Remember you only need to write negotiation plans for two of the four. For maximum learning my recommendation is to write either Moms.com or El-Tek and then write either Federated Science or Harborco.