Introduction and goals

Negotiation is a regular feature of our professional and personal lives. Engineers and scientists must negotiate for scarce company resources. Entrepreneurs negotiate business deals, including high-stakes venture capital agreements. Politicians negotiate amendments to bills. New employees negotiate their salaries and benefits. Urban planners negotiate variances with developers. Homebuyers negotiate price and purchase terms. Friends and lovers negotiate what movie to see or where to go for dinner. In short, no matter what we do or who we are, we regularly find ourselves in situations in which we cannot simply impose our will on others, nor feel that we should simply acquiesce to their preferences. These situations are typically resolved via negotiation.

Given how often we negotiate and important the outcomes are, it is surprising that we think so little about the tactics we employ and how they can be improved. Of course, there is a great deal of folk wisdom on how to negotiate better, and no shortage of self-help books. Some of the advice found in these books and stories can indeed help, and at times this course will draw upon them. However, we need to be critical as we consider different approaches to negotiation, figure out what works for us in different situations, and hone our practices. The course is designed to be practical – the expectation is that you will not only learn about, but also experiment with different approaches to negotiation. We expect you to finish the semester with greater confidence, an improved and expanded negotiation toolkit, and a more reflective approach.

We believe that negotiation is both an art and a science. It is a science in so far as outcomes can often be more or less optimal when evaluated against external measures of utility, and statistical analysis has been applied to comparatively evaluate different tactics. The course will introduce decision analysis and various ways to maximize overall utility in negotiations. It is an art because negotiations involve real people with emotions, imperfect information and different senses of what is fair and right. The fact that even simple negotiations can have multiple possible outcomes is evidence of this – there is rarely a single correct answer. The course will
introduce various tactics for negotiating with other people in the real world, with all the complexity that entails.

Fortunately, negotiation is rarely zero-sum. Wise negotiators find ways to generate more value while also caring about how it is distributed. More pie can mean a bigger piece for everyone. Advancing our own interests often requires sustained cooperation with others. People rarely cooperate under coercion or because of a great argument, but rather because they are getting something out of the deal too. Therefore, the key to getting what you want lies in learning about others’ interests – what they care about and why – so that you can solve their problem in a way that addresses your own interests. This is “the art of letting them have your way.”

We will begin the course by looking at situations that are more or less zero-sum in nature, examining how negotiators can effectively maximize their own outcomes through strategic bargaining. We will ask: Why do negotiators get one outcome rather than another? What tactics do they employ to maximize their gains? We will then move on to situations in which negotiations offer opportunities to create value and ask: How can we alter what’s on the table? How can we be creative in negotiations? In this section we will consider how negotiators create opportunities for mutual gain and reach better outcomes than would otherwise be possible. Finally, we turn to the question of how negotiations can be structured to maximize the outcomes, asking: How can we (re)shape the rules of the game? Here we explore how negotiators shape expectations and roles, build understanding (or misunderstanding), and construct relationships in which trust and cooperation are possible. We will conclude the term by examining the ways in which generating information through adding parties, negotiating in multiple forums, employing the services of a neutral facilitator or managing meeting atmospheres affect the outcome of negotiations. In general, we will move from negotiations that involve less complexity (i.e. fewer issues, fewer parties and fewer factual disagreements) to those that are more complex. By the end of the course, we hope that you will appreciate the layered complexity that is involved in what will at first appear to be simple negotiations.

By exploring these questions, we hope to help you become a more effective negotiator. Specifically, the course should teach you how to diagnose situations that have room for both conflict and cooperation, prepare you to negotiate purposefully and effectively, and evaluate the outcomes you achieve. You will have the opportunity to experiment with alternative tactics and strategies through a series of negotiation role-play simulation exercises (i.e., ‘serious games’). These exercises form the core of the course; in them you will learn by listening carefully, reflecting critically, and contributing to the group discussions that follow.

**Assignments and Evaluation**

Evaluation will be based on contributions to and full participation in all of the (typically weekly) exercises, as well as in-class discussion (30%); preparation of one exercise analysis video (20%) three problem sets (30%); and a final assignment, which will involve creating your own role-play simulation exercise (20%).

**Participation (30%)**: This is a largely discussion-based, not lecture-based, course. The expectation is that students will complete all readings before class, and come prepared to actively discuss the materials. We will also take attendance in class. There will be a series of role-play simulation exercises throughout the semester. Every student is expected to come to class familiar with the assigned general instructions (when applicable) and ready to participate. **Participation in all of the simulations is strictly required** and so is preparation. You will significantly undermine not only your own, but also your counterpart’s
learning if you are not prepared. Students are also expected to participate in the exercise **debrief discussions** both within and beyond the classroom (i.e., online).

**Exercise analysis video (20%)**: You will be asked to record one of the semester’s exercises and edit it down to a 5 minute (max) ‘highlight reel’. Your video should reinforce the key themes for that segment of the course, and highlight key moments or actions in the negotiation you recorded. You should use subtitles, headlines or voice-overs to explain your clip and why it should matter to the viewers. You are free to record with your own smartphone or camera, or ask us in advance about borrowing equipment. You are also expected to watch and provide brief feedback on your classmates’ videos. A quarter of your grade (5%) will be based on your own video, and the other 10% will be based on your evaluations of others. Please see the instructions on Stellar for more information on this assignment.

**Problem Sets (30%)**: Three problem sets will be assigned over the course of the semester. Typically, your responses will be 2-3 pages (single-spaced) in length, concisely examining the respective themes and responding to the questions posed. Problem sets will be graded as follows: A cursory effort that shows only a minimal attempt to address the questions or the assigned material will receive a check-minus (i.e. a grade of C/B-); an acceptable effort will get a check (i.e. a grade of B/A-); and a superior level of effort will get a check-plus (i.e. a grade of A/A+). Further instructions will be provided with each assignment.

**Original role-play simulation exercise (20%)**: You will participate in a series of role-play simulation exercises over the course of the semester. This pedagogical tool is useful for vividly introducing new concepts and experimenting with new tools and approaches. For the final assignment of the semester, you will create your own exercise with a partner. This exercise may focus on the negotiation theme or skill of your choosing, but we will coordinate so that we have some variety across the class. The expectation is that you will design a role-play that addresses an issue or question in a way that is novel. It has to be new, interesting and important. We will play these exercises at the end of the semester, and part of the grade assigned will be from peer evaluation (i.e., how the players evaluate it as a pedagogical tool). Further instructions on this assignment will be provided later in the semester.

**Readings and Other Course Material**

*These are available through Amazon.com and other retailers, and are on reserve at Rotch Library:*


All other readings will be available on the Stellar website, along with class announcements, and updates to this syllabus. **Students should check the site regularly and rely on it to prepare for each class and assignment.**

**Recommended Resources.** These other texts, while not required, are strong references for those who want more in-depth material on many of the course topics. We will be using excerpts of most of these in your reading packets.

On-line resources:

Program on Negotiation
Interaction Institute for Social Change
Conflict Resolution Quarterly

Consensus Building Institute
Association for Conflict Resolution
Negotiation Journal
# Schedule of Class Sessions, Readings and Work Assignments

**NOTE:** Use Stellar not this syllabus, to determine class readings and assignments. The reading list below is a preview only and will be modified on an ongoing basis throughout the semester.

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic/Exercise</th>
<th>Readings</th>
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| Tuesday      | An Introduction to the Art and Science of Negotiation  
| Thursday     | Preparing for Negotiations: Framing, biases, perspectives  
**Exercise: Appleton-Baker (including debrief)** | Kahneman, D. (2011). *Thinking Fast & Slow*. Ch. 11 – Anchors (pp. 119-128), Ch 27 – The Endowment Effect (pp. 289-299) and Ch 28 – Bad Events (pp. 300-309).  
| Thursday February 12th | Preparing for Negotiations: The Hardest Question | *Online poll to be completed in preparation.*  
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<td>Tuesday February 17th</td>
<td>No class – MIT on Monday schedule</td>
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Mnookin, R.H. et al. (2000). *Beyond Winning: Negotiating to create value in deals and disputes*. Cambridge, MA: Harvard University Press. The Tension Between Creating and Distributing Value (pp. 11-43).  |
| Tuesday March 3rd      | Creating Value Multi-Search debrief             | Mnookin, R.H., S.R. Peppet and A.S. Tulumello (2000). *Beyond Winning: Negotiating to Create Value in Deals and Disputes*. Ch. 6 - Psychological and Cultural Barriers (pp. 156-172).  |
| Thursday March 5th     | Agile Strategy Michael Wheeler guest lecture    | *Problem set #1 (Negotiation Repertoire) due on Friday by 6PM on Stellar.*  
  Michael Wheeler guest lecture |
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<td>March 10th</td>
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<tr>
<td>March 12th</td>
<td>Exercise: Casino</td>
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<td>March 17th</td>
<td>Casino debrief</td>
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<td>Exercise: Discount Market (and debrief)</td>
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<td>Spring Break March 23rd to 27th – No class</td>
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<td>March 31st</td>
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| Thursday April 2\textsuperscript{nd} | Gender in Negotiation  
*Leah Stokes guest lecture* | *Problem set #2 (Influence and Persuasion) due by 6PM Friday on Stellar.*  
| --- | --- | --- |
| Thursday April 9\textsuperscript{th} | Multiparty Negotiation  
| Tuesday April 14\textsuperscript{th} | Multiparty Negotiation  
| Thursday April 16\textsuperscript{th} | Values-Based Disputes  
| Tuesday April 21\textsuperscript{st} | Patriot’s Day  
*No class* |  |
| Thursday May 14<sup>th</sup> | Test role-play simulation exercises |  |