

**COURSE SYLLABUS**  
**ENR/AGEC 4550/5550**  
**Negotiation Analysis**  
**Fall Semester 2012**

**Instructor Information:**

**Instructor:** L. Steven Smutko, Ph.D.

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**Office Hours:** T, Th 3:00-6:00 or by appt.

**Course Information:**

T, Th 11:00 – 12:45, AG 41

**Goal:**

The goal of this course is to help you become a more effective problem solver through the application of analytical methods for negotiation preparation, option evaluation and selection, and evaluation of negotiated outcomes. Negotiation analysis in the context of this course refers to analysis for negotiation rather than analysis of negotiation. Analysis is an important, but often overlooked aspect of the negotiation process. Critical analysis provides you with a more thorough understanding of the negotiation process and its application in collaborative problem solving.

**Course Description:**

In this course we will focus on using an analytical perspective for maximizing joint gains between negotiators. We will use analytical techniques to prepare for negotiation, evaluate options and proposals during a negotiation, and evaluate negotiated outcomes with respect to maximization of joint gains and fairness criteria.

The course will be presented in a lecture/discussion format using case analyses, negotiation simulations, and analytical tools and techniques as a means of providing context to theoretical concepts. The theoretical concepts we explore in the course are decision analysis, behavioral decision theory, and game theory. These concepts will provide the basis from which we analyze and evaluate two-party distributive (win-lose) negotiations, two-party integrative (win-win) negotiations, and multi-party integrative negotiations. An understanding and familiarity with basic algebra will be helpful, as well as knowledge of Microsoft Excel.

**Disability Statement:**

If you have a physical, learning, sensory or psychological disability and require accommodations, please let me know as soon as possible. You will need to register with, and provide documentation of your disability to University Disability Support Services (UDSS) in SEO, room 330 Knight Hall.

### **Textbooks:**

*Negotiation Analysis: The Science and Art of Collaborative Decision Making.* (2002), Howard Raiffa. Belknap Press: Cambridge, MA. Paper ISBN 0-674-00890-1.

*Smart Choices: A Practical Guide to Making Better Life Decisions.* (2002), Hammond, John S., Ralph L. Keeney, and Howard Raiffa. 2002. Random House ISBN 9780767908863

**Other Readings:** Short journal articles and summary articles will be assigned to accompany the textbook readings. See the Course Schedule for readings and due dates.

**Grading Standards:** Your final course grade will be based on the following components:

1. **Attendance and Participation (20%):** You should attend each class prepared to actively participate in class discussions. I will keep track of attendance and your participation in class discussion. For full point value, you should add to the discussion, question results, provide alternative explanations, and share your experiences during each class period. Quality of participation is valued more than quantity. So stay on topic, don't dominate the discussion, and exhibit your familiarity with the readings. If you come prepared, participation should not be a problem. I will update you periodically on your participation grade. Feel free to inquire about our participation grade at any time.
2. **Class Assignments and Reading Summaries (20%):** You will be given several short assignments during the semester that help you apply the concepts and methodologies presented in class and in your reading assignments. These are typically due one or two class periods after they are assigned. Assignments and due dates are listed in the course schedule. Late assignments will not be accepted. I discuss the assignments in class on the day they are due.

To maximize quality class discussions and ensure preparation, students are required to complete a brief reading response for each of the required readings, to be submitted in hard copy at the beginning of class on the date the assignment is due. For each reading, please:

- Summarize the main take-home point(s) of the reading in 3-5 sentences.
  - Provide a brief critique of the reading. What were the strengths and weaknesses? How does this reading relate to the negotiation topic we are discussing or to negotiation in general?
  - Develop at least two thoughtful questions for discussion based on the paper.
3. **Exams (30%):** There will be a mid-term and a final exam. Each is worth 15% of your final grade. Both will be a take-home exam.
  4. **Synthesis Project (30%):** The final project for the course will be the development of a multi-party, multi-issue simulation exercise based on an actual negotiation scenario or case study. The scenario must be based on an actual case study of a natural resource or environmental dispute and documented with appropriate citations of journal articles, news articles, reports, etc. The case study does not necessarily have to be an issue that was negotiated, but must have the minimum characteristics of one that is negotiable:

that is, the issues to be resolved can be identified, the parties (more than two) are known and their preferences for resolution can be reasonably attributed. The case study should be sufficiently complex to encompass multiple issues and more than two parties. The simulation exercise that you develop from the case study must include a description of the situation and background, confidential instructions for each party, a scored negotiation template for each party, and a solution formulated using Excel Solver. I will provide a handout with more detailed instructions. Your grade on this project will be determined on:

- a. Complexity of the case – Generally, the more issues and parties you can wrap into the exercise the better. Strive for a minimum of three and a maximum of six.
  - b. Description and documentation of the case study – Document your case study with appropriate citations. Describe the situation with sufficient detail to provide negotiators with a clear understanding of the situation, background, and key issues. Each role description must also be sufficiently detailed so that negotiators know how they stand on each issue and can readily construct a negotiation template from the information contained in their role instructions.
  - c. Rigor of the analysis – At a minimum, a subset of the possible contracts will be examined using the Excel Solver optimization tool. The more contracts that can be integrated into the Solver tool, the better.
  - d. Clarity of writing – The background information and role descriptions should be typed, grammatically correct, and clearly specified.
5. **Graduate Credit:** Graduate students must complete two article reviews from any of the following journals:
- a. Journal of Negotiation
  - b. Conflict Resolution Quarterly
  - c. Society & Natural Resources
  - d. Natural Resources Policy Research

The final letter grade will be assigned according to the following chart:

A	B	C	D	F
100-90	89-80	79-70	69-60	Below 60

**Attendance/Participation Policy:**

This is a participatory course. Your participation in class exercises and discussion is critical to the quality of the course and the success of your fellow students. You should attend each class session prepared to actively participate in class discussions. I will keep track of attendance and

your participation in class discussion. Unexcused absences are counted against your participation in the class. Excuses for anticipated absences must be cleared with the instructor before the absence. Excuses for emergency absences must be reported to the instructor as soon as possible, but not more than one week after returning to class. I will grant excused absences according to the university policy. University sponsored absences are cleared through the Office of Student Life. See the University Student Absence Policy (6-713) at <http://www.uwyo.edu/generalcounsel/info.asp?p=3077>

**Late Assignments.** Late assignments are not accepted. On the day assignments are due, we discuss these assignments in class. Consequently, turning in an assignment late puts students at a distinct advantage over students who have completed the assignment in a timely manner. Should emergency conditions prevail to create an absence, please contact the instructor as soon as possible, but not more than a week after returning to class. Accommodations will be arranged with the instructor under these conditions. Under all other conditions, students will take a zero (0) on the assignment.

**Incomplete Grades.** Incompletes are given only with prior arrangement with instructor. All incompletes must be resolved by the end of the next semester (unless they are extended), or they will be converted to a failing grade.

**Academic Honesty:**

UW Regulation 6-802. The University of Wyoming is built upon a strong foundation of integrity, respect and trust. All members of the university community have a responsibility to be honest and the right to expect honesty from others. Any form of academic dishonesty is unacceptable to our community and will not be tolerated [from the UW General Bulletin]. Teachers and students should report suspected violations of standards of academic honesty to the instructor, department head, or dean. Other University regulations can be found at: <http://uwadmnweb.uwyo.edu/legal/universityregulations.htm>

# COURSE SCHEDULE

Topic: Introduction to Negotiation Analysis  
Dates: August 28  
Reading: Course syllabus  
Assignment Due: None

## Module 1: Negotiation Context

Topic: Introduction to Natural Resource and Environmental Negotiation  
Dates: August 30  
Reading: Raiffa, Chapters 1 and 21  
Assignment Due: None

Topic: Decision Analysis and the ProACT Method  
Dates: September 4-13 (*NO CLASS September 11*)  
Reading: Raiffa, Chapter 2  
Hammond, Keeney, and Raiffa, Chaps 1 - 4  
Hammond, Keeney, and Raiffa, Chaps 5-8

Assignment Due (9/4): *Reading Summary* -- Dukes, E. Franklin. 2004. What we know about environmental conflict resolution: An analysis based on research. *Conflict Resolution Quarterly* 22, no. 1: 191-220. doi:[10.1002/crq.98](https://doi.org/10.1002/crq.98).

Assignment Due (9/6): *Submit your draft proposal for your synthesis project*

- Describe what's going on
- Describe who the stakeholders are

Assignment Due (9/13): *Reading Summary* -- Howard, Ronald A. 1988. Decision Analysis: Practice and Promise. *Management Science* 34, no. 6 (June): 679-695.

Assignment Due (9/25): *Use the ProACT method to map out a decision opportunity for one of the negotiators in the Federal Lands II negotiation simulation.*

- Define the problem to be solved
- Specify your fundamental objectives
- Build a consequences table that illustrates how the options affect your objectives
- Conduct an uncertainty analysis (construct a risk profile and estimate EDVs) to evaluate your top two choices of land use options (width and use limitations of the SMZ) given the numerical probabilities that you assign to the likelihood of certain outcomes arising from the selection of one option over another. You may use any one of the three methods described in Raiffa p. 25 for estimating desirability values.

**Topic:** Behavioral Decision Theory

**Dates:** September 20

**Reading:** Raiffa, Chapter 3

**Assignment Due (9/20):** *Reading Summary* -- Tsay, Chia-Jung, and Max H. Bazerman. 2009. A Decision-Making Perspective to Negotiation: A Review of the Past and a Look to the Future. *Negotiation Journal* 25, no. 4: 467-480.

**Topic:** Game Theory

**Dates:** September 25-27

**Reading:** Raiffa, Chapter 4

**Assignment Due:** None

**Topic:** Synthesis Project Discussion

**Dates:** October 2

**Assignment Due (10/2):** Present and submit proposal for your synthesis project  
· Complete Section 1 of the Synthesis Project Rubric

## Module 2: Two-Party Negotiation

**Topic:** Integrative and Distributive Negotiation

**Dates:** October 4-9

**Reading:** Raiffa Chapter 5 and Chapter 7, pp 109-115

**Assignment Due (10/4):** *Role Play* -- Prepare for *Sally Soprano*

**Assignment Due (10/9):** *Reading Summary* -- Galinsky, Adam D. 2004. Should You Make the First Offer? *Negotiation* (July): 3-5.

**Negotiation (10/4):** *Sally Soprano*

**Negotiation (10/9):** *Redstone Development*

## Module 3: The Negotiation Template

**Topic:** Negotiation Template Design

**Dates:** October 11

**Reading:** Raiffa, Chapter 11

**Assignment Due:** None

**Topic:** Template Evaluation

**Dates:** October 16

**Reading:** Raiffa, Chapter 12

**Assignment Due:** None

Oct 18

MID-TERM EXAM

**Topic:** Multi-Party Integrative Negotiation  
**Dates:** October 23-25  
**Reading:** Raiffa, Chapter 21 (review)  
**Assignment Due (10/25):** *Design a negotiation template for your role in Federal Lands Management II*  
**Negotiation (10/25):** *Federal Lands Management II*

**Topic:** Template Analysis  
**Dates:** October 30 - November 6  
**Reading:** Raiffa, Chapter 13, Chapter 14  
**Assignment Due (11/1):** *Build and solve the Janet and Marty fair distribution problem using Excel Solver*  
**Assignment Due (11/8):** *Build and solve the Nelson vs. Amstore problem using Excel Solver*

#### **Module 4: Fairness, Consensus, and Risk**

**Topic:** What is Fair?  
**Dates:** November 8  
**Reading:** Raiffa, Chapter 19  
**Assignment Due:** None

**Topic:** Consensus  
**Dates:** November 13  
**Reading:** Raiffa, Chapter 22  
**Assignment Due (11/13):** *Build and solve the Multiparty problem (pp. 414-418) using Excel Solver*

**Topic:** Rockwell Quarry Negotiation  
**Dates:** November 15-20  
**Assignment Due (11/15):** *Prepare Rockwell Quarry template with reservation values*  
**Negotiation (11/15 & 20):** *Rockwell Quarry*

**Topic:** Coalitions  
**Dates:** November 27  
**Reading:** Raiffa, Chapter 23  
**Assignment Due:** None

**Topic:** Risk and Uncertainty in Template Formation  
**Dates:** November 29  
**Reading:** Raiffa, Chapter 8  
**Assignment Due (12/4):** *Create a Negotiation Template of the Brucellosis Problem*

**Topic:** Presentation of Synthesis Projects  
**Dates:** December 4 – 6  
**Assignment Due:** *Prepare 10-minute oral presentation of synthesis project*

The instructor may make changes to the syllabus as the course proceeds. If necessary, these changes will be announced in class. Substantive changes made to the syllabus shall be communicated in writing to the students.