

Discussion Questions

1. Identify situations where negotiation is likely in the workplace and in your personal life.
2. Using a negotiation with which you are familiar, describe the characteristics of negotiation.
3. Using a negotiation with which you are familiar, discuss how the issues that were negotiated related to the parties' interests.
4. Describe how incentives influence your behavior at school or work and in your personal life.
5. Using a negotiation with which you are familiar, identify the preparation involved and the extent to which it was successful. What else might have been done?
6. Identify possible conflicts that you may experience in the workplace and in your personal life.
7. Discuss your level of comfort in negotiating with others at school, work, and home.

Ethical Dilemma: The Research Project

Bill and Rachael are both analysts in the market research department at ABC Company. Bill is generally viewed as a top performer. Objectively his work is good, but he really excels at self-promotion. When dealing with others he is a tough negotiator, confident to the point of being cocky. He likes to win and win big. He is unafraid of stepping on anyone's toes and lives by the motto that it is easier to beg forgiveness than to ask permission.

Rachael is bright and hard-working; however, she is modest and relies on others to notice the good work she does. She believes it's more important to spend her time working than promoting herself and publicizing her accomplishments. She views conflict as a complete waste of time and has a difficult time standing up for herself. This often results in others taking advantage of her.

Bill and Rachael have recently been assigned to work together on what has the potential to be a highly visible project. The project involves a lot of research, writing a report, and presenting the findings to the senior executives. They just finished meeting to lay out the tasks involved and establish a plan for the project. In their meeting Bill told Rachael that she can do the research and draft the report, and he will make the presentation. When Rachael suggested they work together on the

research and jointly make the presentation, Bill told her that she needs to do the research and draft the report because she is better at "that sort of thing," while he needs to make the presentation because of his superior presentation skills.

Bill left the meeting satisfied that he had won yet again and believing that since he will be making the presentation he will get the majority of the credit for the project. This is important to him because he has heard there will be an opening in the near future for a senior analyst. He wants the promotion and thinks the visibility of this project will make him a shoe-in for the job.

Rachael left their meeting feeling resentful and put upon but not knowing what to do about it. While this sort of thing has happened to her in the past she was especially upset this time because she has heard there will soon be an opening for a senior analyst and she is very interested in the position.

Questions

1. Is Bill behaving ethically?
2. What do you think he should do in this situation?
3. How might Rachael negotiate an outcome that better meets her needs?

Endnotes

1. www.oneredpaperclip.com (accessed August 4, 2010).
2. *Ibid.*
3. Levitt, Steven D., and Stephen J. Dubner. *Freakonomics*. New York: William Morrow (Harper Collins), 2005.
4. Wheelan, Charles. *Naked Economics: Undressing the Dismal Science*. New York: W. W. Norton & Company, 2002.
5. Zetik, D. C., and A. F. Stuhlmacher. "Goal Setting and Negotiation Performance: A Meta-Analysis." *Group Processes & Intergroup Relations* 5(1) (2002): 35-52.
6. Barron, A. Lisa. "Ask and You Shall Receive? Gender Differences in Negotiators' Beliefs about Requests for a Higher Salary." *Human Relations* 56 (6) (2003): 635-662.
7. Kumar, Rajesh. "The Role of Affect in Negotiations: An Integrative Overview." *The Journal of Applied Behavioral Science* 33 (1) (1997): 84-100.
8. Page, D., and A. Mukherjee. "Promoting Critical-Thinking Skills by Using Negotiation Exercises." *Journal of Education for Business* 82 (5) (2007): 251-257.
9. Fisher, Roger, William Ury, and Bruce Patton. *Getting to Yes* (2nd ed.). Boston: Houghton-Mifflin, 1991.
10. Lewicki, Roy J., Bruce Barry, and David M. Saunders. *Negotiation* (6th ed.). Boston: McGraw-Hill Irwin, 2010.
11. Terri Kurtzberg, and Victoria Husted Medvec. "Can We Negotiate and Still Be Friends?" *Negotiation Journal* 15 (4) (1999): 355-61.
12. Sillence, John A. A. "Organizational Context and the Discursive Construction of Organizing." *Management Communication Quarterly* 20 (4) (2007): 363-394.
13. Barron, Lisa A. "Ask and you shall receive? Gender differences in negotiators' beliefs about requests for a higher salary." *Human Relations* 56 (6) (2003): 635-662.
14. Lax, D., and J. Sebenius. *The Manager as Negotiator: Bargaining for Cooperation and Competitive Gain*. New York: Free Press, 1986.
15. Fisher, Roger, William Ury, and Bruce Patton. *Getting to Yes* (2nd ed.). Boston: Houghton-Mifflin, 1991, p. 48.

Key Terms and Concepts

Bargaining mix All of the issues involved in a negotiation.

Bargaining range/settlement zone The area between parties' resistance points.

Best Alternative to a Negotiated Agreement (BATNA) The most ideal alternative outcome one party to a negotiation could get without negotiating with the other party.

Frame The lens through which you view a negotiation.

Initial/opening offer The first offer made by a party in a negotiation.

Reciprocity The notion that if someone does something for you, you owe them.

Resistance point/reservation price A negotiator's bottom line; the point beyond which she will not go.

Settlement point What the parties actually agree upon.

Target point/aspiration The best outcome each party can reasonably and realistically expect to obtain as a result of the negotiation.

Worst Alternative to a Negotiated Agreement (WATNA) The worst outcome you might face if you do not come to a negotiated agreement.

Discussion Questions

1. Identify the issues that might constitute the bargaining mix in an initial employment negotiation such as Katherine's in the chapter scenario.
2. Explain the differences between opening offers, target and resistance points, and their role in negotiation.
3. Discuss the role of a negotiator's alternatives in a negotiation.
4. Describe the impact of how an issue is framed on the final outcome in a negotiation.
5. Citing examples from your school, work, and personal lives, discuss the role of reciprocity in your daily relationships.

Ethical Dilemma: To Reciprocate or Not to Reciprocate?

You are negotiating to buy a house. So far the sellers have been very cooperative in working out the terms of the sale and engaged in an integrative style of negotiation. Now however there is a problem. There is a wrought iron horse mounted on the exterior of the house on the chimney. The seller did not specifically exclude this on the sale agreement but now wants to keep it, saying it was a birthday gift from a family member. You like the horse and would like to have it remain with the house, but because the seller has been so cooperative on everything else, you aren't sure whether to pursue this.

Questions

1. Do you have any obligation, moral or otherwise, to cooperate with the sellers since they have been cooperative with you?
2. If the sellers had engaged in distributive bargaining tactics and were generally uncooperative would your answer to question 1 be different? How?
3. To what extent, if any, should you reciprocate the other party's behavior when negotiating?

Ethical Dilemma: You Heard It through the Grapevine

You are in the market for a new-to-you car. There is one in particular that you are interested in that is for sale by a friend of a friend. You have driven it and had it checked out by a friend of the family who is a mechanic. Based on your research you have determined the car is worth \$8,000 and you are prepared to pay that much to get the car. The day before you planned to close the deal you heard through the grapevine that the seller has some unexpected legal problems that could land him in jail if he doesn't come up with \$6,000 to pay the fines very soon. This news has you wondering if you could get the car for even less than you were willing to pay.

Questions

1. How might you use the information about the seller's legal problems?
2. What could you gain by using the information?
3. What could you lose by using the information?
4. Is it ethical to use the information about the seller's legal problems to get the car for less than you determined to be a fair market price?