UNIVERSITY OF ALBERTA

ALBERTA SCHOOL OF BUSINESS
DEPARTMENT OF ACCOUNTING, OPERATIONS AND INFORMATION SYSTEMS
OM 604 BARGAINING AND NEGOTIATIONS

Spring 2020
OM 604
Bargaining and Negotiations (May 12 - June 5 2020)
Various Dates (Mostly mornings; Some all day sessions)
Section: LEC A2
Location: C19REMOTE

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Course Description

The practice of public accounting (encompassing all areas of accounting, tax, auditing, valuation, forensics, and provision of business services) is a people business. You could extend that to say that all business is an activity where "people do business with other people." Understanding others, developing trusted relationships, providing advice, negotiating outcomes, and leading teams are core activities that involve interacting with other people. The goal of this course is to develop better soft skills so interactions with people, especially in accounting settings, will be smoother and hopefully more effective.

There are two competing time frames that you should keep in mind. One is short-term. There is no long-term without a short term. When you graduate from University you need to get a job, pass the CFE, and start moving up in your organization to set the stage for success. This requires a short-term focus on getting hired, claiming value and getting recognized for the contributions you make. The course textbook is primarily oriented towards individual psychology and getting a "win" in a discrete (short-term) bargaining session. Therefore, one part of the course will focus on developing these skills. There is however also a longer term that you need to focus on. Longer term success may require you to be a team player, sacrifice your own interest for the good of the team, and develop loyalty and trust by helping others. This requires a different orientation from maximizing your own short term win. So we will try to balance both success in the short-term, with success in the long-term.

To succeed in accounting, you will need to **listen carefully (both for what is said and what is not said) and ask good questions**. If a question is framed well, it will show you put some thought into the question and the other party will provide a more precise and thoughtful response in return. Likewise, if you ask for a favor/explanation/data, you should provide some explanation or justification for why you need the favor. Even a poor explanation (justification) is better than no explanation.

This is a course about both theory and practice. Theory is how we understand and explain things. Theoretical knowledge is useful because once you understand why something is happening, you can take appropriate action to address potential challenges in new and different settings. Practical knowledge is also essential to good practice but it is often limited to the setting and conditions under which it was acquired. Good practice therefore, comes from good theory. However, reading about theory is seldom the best way to learn theory. To understand most concepts, things have to happen to you. As a result, in this class we will use a mixture of experiential learning, through several bargaining exercises, and the development of theory to improve our soft skills in settings commonly encountered by professional accountants. On the first day of class we will discuss in detail the ground rules for the simulation exercises but full participation in these exercises is the essence of this course (hence the emphasis on attendance at all classes)- something that students are almost unanimous about at the end of each term.

Course Learning Objectives

Learning Objective	**CPA Competency**

1. The sensitivity to appreciate the role of ethics, fairness and justice in negotiations	Enabling Competency I
2. The strategic skill and critical thinking to claim a fair share of the value generated in a negotiation	Enabling Competency II
3. The ability to communicate effectively	Enabling Competency III
4. The ability to work constructively with people whose backgrounds, values and behavior differ from those that we are most familiar	Enabling Competency V
5. The ability to create value in a variety of negotiating environments emphasizing accounting	N/A
6. The ability to recognize and mitigate the costs of the common cognitive errors that most of us make	N/A

Learning Environment/Instructional Methodologies

Typically each class will involve a theory discussion followed by a simulation and debriefing session. Each exercise will provide a set of negotiating partners with a written description of a problem, issue or opportunity to be negotiated. The case material will also include private information that only one party knows. **More generally when you are dealing with people you should not assume that they have the same facts, and that they want the same thing as you. Clarifying (by asking and listening) what each side knows/wants is an important takeaway from a negotiation class.**

For some cases, students will be given the material in advance to prepare for the next class. For other cases, students will be given time in class to prepare. Unless a specific exercise has explicit instructions to the contrary, students can decide on where to negotiate. Once finished, students summarize their outcomes in point form (usually 5 or 6 lines of points will suffice) and immediately submit it to the instructor so that he can summarize the outcomes prior to class discussion.

Some exercises will be done individually, some in groups of 2 or 3. Group membership will be rotated across exercises. In real life we usually have only a limited ability to choose who we work with. You will be expected to work well with your partner regardless of whom (or how), they came to be your partner.

While we understand that grades are important to all students, try to understand the theory, but then experiment in implementing the theory in a way that works for you. To be successful in life, you have to conduct yourself in a manner that works for you. Your approach has to be consistent with your values, your personality, and your understanding of yourself, and what makes you happy. Mechanically following a textbook approach cannot make everyone happy or successful. It may be discouraging to do poorly(or find that others are not receptive to, or impressed by, your behavior), but it is far better to confront such issues in this setting – where the stakes are low and the opportunities to learn are high – than in real world negotiations, where losses, financial and reputational, can be truly painful. Students often cite the opportunity to experiment, learn from mistakes, and learn more about themselves and how they respond to others in joint problem solving situations, as the most important 'takeaway' from a negotiation class.

Enabling Competencies Required to be Demonstrated/Assessed

Professional & Ethical Behavior

Students will learn the sensitivity to appreciate the role of ethics, fairness and justice in negotiations.

Problem Solving & Decision Making

Students will be required to use strategy, problem solving and critical thinking to work through complex simulations to create value in a variety of negotiating simulations.

Communications (Oral & Written)

Clear communication is a key component of effective negotiations. Students will have numerous opportunities to practice their oral communication skills and during presentations and simulations. Students will also have to opportunity to work on their written communication during completion of their final project paper. Students will be expected to have clarity in their writing, creative thinking and clear organization of ideas.

Self-Management

Students are expected to attend class on a regular basis and be prepared to participate. Failure to diligently prepare for and carry out the negotiation is a serious matter and will be reflected in course grade.

Teamwork & Leadership

Students will have the opportunity to take on a variety of different roles in simulations including leadership roles. Students will also need to work constructively with people whose backgrounds, values and behavior differ from those that we are most familiar

Evaluation/Assessment Techniques

COURSE EVALUATION

Class attendance and participation	**20%**
Textbook Chapter Presentation	**15%**
Reflection Exercises (4 @ 5% each)	**20%**
Final Project Paper	**30%**
Peer Feedback	**15%**
Total	**100%**

Additional details on grading

- Attendance and participation (20% of grade). This course will be run as both a seminar and as a training workshop. To make this format work, you must come to class fully prepared to actively participate in class exercises. Part of your grade (15%) will be based upon your class participation, including the quality and extent of your effort in the various exercises as well as the sophistication of your comments and analysis. **To encourage participation you will not record (or post on any electronic media) any part of the course**. You have to personally participate in class to get the benefit of taking this class.

- Class attendance is worth 5%. Full attendance is essential to achieving the goals of the course for you and others. Most exercises depend on every participant playing a specific role. During virtually every class session, you will be teamed with one or more participants for one or more exercises. Any absence is likely to cause substantial inconvenience and loss of opportunity to others. If you must be absent or late due to sickness or an emergency or a (often very valid) decision to attend another appointment, it is important that you notify Professor Jamal as soon as possible prior to the class so that we can plan the exercise around your absence (failure to do so will result in a reduction of your participation grade). Regardless of the reason for an absence however, the attendance grade of 1/2% per class will deducted for each absence. Make-ups are not possible.

- Each group will do a class presentation on the set of assigned chapters for a class (15%). Your task is to also create a **one page write-up** that conveys the key takeaways from your chapter(s). This write-up will be distributed to the class. You will also answer questions from students. Your peers (and instructors) will grade your presentation.

- Reflection Exercises (4@ 5% each = 20%). You will be asked periodically to reflect on one or more exercises done during the course and write what your key insight/takeaway is from that exercise.

- Final Project Paper (30%). Write a final paper of approximately 8 -10 pages discussing in detail one of the theory topics from the course and its significance in real negotiation experiences that you have had (or expect to have in the future). Students will likely want to include references to other literature in addition to course materials and textbooks. You can anchor on one of the class topics/case(s) you participated in if you wish, if that exercise was particularly meaningful to you, and/or you think it will help to focus your answer. Reflect on what guidance theory gives you, and how implementation might extend or moderate your understanding of the theory and how to apply it. The paper will be due at 5PM on Wednesday June 12, 2020 (email to kjamal@ualberta.ca).

- Peer Feedback (10%). A set of observations and impressions that are intended to provide constructive feedback to the persons you negotiate with during the course. We will compile them and then transfer them (anonymously) to the recipients. More will be said in class on this assignment and a template will be made available.

- Grading all deliverables in this course will be based upon clarity of presentation and writing, the level of integration of course material (including that in the textbook) into the paper, clear organization, and creative thinking in the sense that you are not merely describing a negotiation, but are offering a cohesive, coherent explanation for what happened - including discussion of emotions, personality characteristics and anything else that affected the outcome.

Course Schedule

DATE	TOPIC	READINGS
Class 1- Tuesday May 12 Morning 9am- 12 Noon (Karim)	**Introduction** - **Mindfulness** - Take perspective of the other party - Actively notice new things - Group Formation	**Case 1: Hire an Executor Case** Chapter 1 and 2 of the Thompson Book – To be presented by the Instructor
Class 2- Friday May 15 Morning 9am-12 Noon (Ann and Karim) **AND**	**Integrative Bargaining** Group 1 Presents	**Case 2: Publishing Company Case** Chapter 4
Class 2 (cont) Friday May 15 Afternoon **1pm-4pm**	**Direct versus Indirect Communication** Group 2 Presents	**Case 3: Colleagues Case** Chapter 6
Class 3 – Tuesday May19 Morning 9am- 12 Noon (Karim)	**Information Elicitation** Group 3 Presents	**Case 4: South Edmonton Drugs Ltd** Chapter 8
Class 4 – Friday May 22 Morning	**Distributive Bargaining** Group 4 Presents	**Case 5: Special Item Case**

9am- 12 Noon (Ann and Karim)		Chapter 3
Class 4 (cont) Friday May 22 Afternoon **1pm-4pm**	**Distributive and Uncovering your Style** Group 5 Presents	**Case 6: Unique Real Estate Parcel Case** Chapter 5
Class 5 – Tuesday May 26 Morning 9am- 12 Noon (Karim)	**Negotiation Style, Cognitive Bias and Relationship Building** - Group 6 Presents	**Case 7: Cocktail Reception** Appendix II
Class 6 – Friday May 29 Morning 9am- 12 Noon (Ann and Karim) **AND**	**Differentiation and Empathy** Groups 7 Presents	**Case 8: RFP Case** Chapter 9
Class 6 (cont) Friday May 29 Afternoon 1PM- 4 PM (Ann and Karim)	**Differentiation and Empathy (cont)** Group Presentations to a RFP Panel Group 9 Presents	**Case 8 (cont): RFP Case** Appendix 4
Class 7 Friday June 5 Morning 9am- 12 Noon	Team Dynamics Other Factors	**Case 9: Supply and Distribution Case**

(Ann and Karim)		
Class 7 (Cont) Friday June 5 Afternoon 1pm- 4 pm (Ann and Karim)	Third Party Agents Wrap-Up	**Case 10: Agent/ No-Agent Case**

June 12, 2020 at 5PM: Final Paper due. E-mail to kjamal@ualberta.ca