Negotiation Simulation Ground Rules

Prepared by Professor Jared Curhan for Sloan Negotiation Classes.

Many of you may not have participated in a negotiation simulation before. Therefore, it is important that you understand the following ground rules, all of which are designed to maximize the realism of the situation for you and for your negotiation counterpart.

RULE #1: This is not acting.

You are about to participate in a role-play negotiation case. Please understand that this is not an exercise in acting. In other words, your task is *not* to act as through you were someone else, but rather to **be yourself** and imagine that you were in the situation described in your "Confidential Instructions." Treat the situation pretty much as you would if it were a real negotiation.

<u>RULE #2:</u> Prepare by yourself. Please do not exchange instructions or view anyone else's materials, even if they are assigned to the same role as you.

You each have a set of confidential instructions to provide you with background information on the cases. But in the real world, we don't have confidential instructions. So if someone tells you, "I'm sorry, this is the lowest I can go," you have to decide whether or not to trust him or her. You can't say, "Prove it to me by showing me your confidential instructions." Therefore, you cannot do that here either. It's fine to look at your own confidential instructions or your personal notes while you negotiate, but you are **not** permitted to show your instructions to your counterpart(s) for any reason. Even outside of your negotiation itself, please do not look at anyone else's materials or let anyone see your materials, even if someone else is playing the same role and you think they have the exact same instructions as you. If for some reason you misplace anything, please obtain a new copy from your TF.

<u>RULE #3:</u> You may need to make up information, but do not make up information that changes the basic power relationship between the parties.

For example, if your counterpart were to ask you, "How many years have you been working for this company?" you wouldn't be able to find the answer to that question in your confidential instructions, so you need to make something up. But please do not make up information that changes the whole nature of the situation, such as, "I've been with the company for 40 years and as a matter of fact my grandfather founded this company!...etc." Some people find it's easiest, when asked a question like, "So where did you go to school?" to simply answer with information pertaining to themselves in real life. That way they don't have to make things up as they go along.

<u>RULE #4:</u> Stay "in role" throughout the entire negotiation, and do not discuss the case with anyone until after the next class, when this exercise will be discussed.

For example, you may be tempted at certain points in the negotiation to make a comment about the process, such as "Hold on, can you explain to me the strategy you're using right now?" But again, that would not be very realistic, and you're shortchanging your counterpart's experience when you do that. So please try to stay in role the entire time. Even when you finish your negotiation, simply shake hands (or whatever) and then part ways. Please *do not* discuss the process or the case at all until after the class involving a case or exercise is over because it may hinder the learning experience for you and your counterpart(s).

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