Overview & Course Objectives

This course will provide a research overview of the field of behavioral decision making and decision analytic perspectives to negotiation. A core focus of the course will be the individual as a less-than-perfect decision maker in individual and competitive contexts. On the decision making side, we will start with March and Simon’s (1958) work on bounded rationality, work through the groundbreaking research of Kahneman and Tversky, and update this line of inquiry to current research. On the negotiation side, we will start with Raiffa’s (1982) critical work on the interaction of prescriptive and descriptive research on negotiation, continue through the development of a behavioral decision perspective to negotiation, and examine how the field is currently evolving. We will examine the implications of imperfect behavior for theoretical development. We will also examine the implications for training individuals to make wiser decisions.

This course will involve students in an intensive, thorough survey of the intersection of analytic and behavioral perspectives on decision making and negotiation. Each class, we will cover an area in depth, explicate some major perspectives in the field, review a select set of readings, and discuss some of the critical issues that have been raised with regard to theory and experimentation.

The following is a partial list of course objectives:

1) obtain exposure to selective aspects of the decision making and negotiation literature
2) gain an understanding of central concepts in decision making and negotiation
3) develop expertise in a domain of interest
4) explore new research ideas
5) improve your scholarly writing skills
6) gain experience reviewing papers
7) gain experience revising manuscripts

Grading

This class may not be taken on a pass/fail basis.

There will be four components of the grading system – each worth 25% of your final grade: a) initial paper submission (due 3/30); b) revision of paper (due 4/27); c) reviews of other students' papers (due 4/6); and d) class participation. Late papers will be penalized, and will be the last to get feedback.

The first three of these components are interconnected: a) 1st draft paper submission; b) Revision of paper; and c) Reviews of other students' papers (auditors will also do paper reviews). Your paper must be a scholarly paper that will be peer-reviewed by fellow classmates and graded by Max. The paper should represent an original idea and develop research suitable for submission to an academic journal. The paper
should be on decision making and/or negotiation. If it is unclear whether your paper fits this umbrella, please check with Max in advance of developing your work.

You will be accountable for the existing research that bears on your topic. So, do not wait until the week before the deadline to begin your work. In fact, you are required to write a 1-2 page overview of your paper plans by 2/23.

The project consists of writing the front-end of an empirical paper up until the results section. There is no requirement to collect the data. The paper will contain two major sections: front-end matter (theory, literature review and hypotheses) and empirical methods (design of an experiment). **The methods should be clear enough for another social scientist to be able to run the study based on your description of the methods.** Basically, I am looking for a Journal of Personality and Social Psychology, Organizational Behavioral and Human Decision Processes, or American Economic Review paper up to the point where the paper reports “results”.

The paper will be done in two phases. The first is an initial submission of the paper (having it mostly done, with a clear outline of the section you still need to write, is acceptable). The second phase will be a revision of this paper (NOT A NEW PAPER) based on the feedback you get from the reviewers (students in the class) and the action editor (Max). The second draft should be turned in with a “letter to the editor” explaining how you responded to the reviewers and the editor.

To make this peer-review process possible, each student in the class will complete two reviews of other students' papers. Guidelines are provided in Appendix 2 of this course outline.

All assignments will be turned in by email in advance of the start time for the class. Assignments should be sent to mbazerman@hbs.edu and to rahuja@hbs.edu.

Note: Your paper should be original and not one that you are working on for another course requirement. It may build on an earlier paper that you turned in for a grade. However, if that is case, the earlier paper should be turned in as well. It is fine for the paper to be part of your progress toward other graduate program requirements (e.g., proposals, dissertations, etc.)

d) Class participation

Each class, two or three students will have added responsibility for the discussion. This will involve knowing the details of the assigned papers, and bringing to class related insights from related, but non-assigned papers.

Students are expected to attend all class meetings and to be prepared (i.e., complete readings in advance of every class meeting). Students are expected to contribute to the discussions. Students are expected to email Max in advance if they cannot attend a class.

**Class Structure**

Each week, we will start class promptly at 3:07. There will be a 10 minute break in the middle of the class. We will use the first 100 minutes of the class for the material assigned. The portion of class after the break will be available for discussion of ideas suggested by students, the appendices to this course outline, voluntary presentations of student projects, etc.
Readings

Readings will be available in mid-January from Ranjan Ahuja [rahuja@hbs.edu].

2/2: Intro to Decision Making


Class activity: Intro and overview of decision making
Some new decision puzzles
Getting started on your ideas

2/9: Negotiation Analytics and Individual Biases in Negotiation


Class activity: Intro and overview of negotiations

2/18: President’s Day - no class

2/23: Preference Reversals - Inconsistency within the Decision-Maker


3/2: Learning and Decision Making - The role of experience (Guest Professor: Greg Barron)


3/9: Motivation and Decision Making

Milkman, K., Roger, T., & Bazerman, M.H. Harnessing Our Inner Angels and Demons: What We Have Learned About Want/Should Conflicts and How That Knowledge Can Help Us Reduce Short-Sighted Decision Making. HBS working paper.

3/16: Fairness, Ethics, and Rationality


3/23: Spring Break

3/30: Bounded Awareness


4/6: Bounded Ethicality


4/13: Relationships, Trust, and Negotiation (Guest Professor: Deepak Malhotra)


4/20: Competitive and Motivated Biases in Negotiation


4/27: Improving Decisions


Appendix 1

**Tips on how to write a paper for an academic journal** (adapted from Leigh Thompson):

A. Substance

1. Avoid saying, "No one has ever looked at this, so I did..."
2. Avoid saying, "this is interesting"
3. Avoid description at the level of methods in your introduction (e.g., variables, measures, factors)
4. Do not write papers just for academics; better to write for smart friends in another field
5. Your study should be totally motivated from your introduction
6. Avoid using the expression, "Research has found" or "studies have shown" (if you delete this, the sentence sounds much better)

B. Style

1. Most people accept or reject a paper in the first 5 pages and then look for evidence in a confirmatory manner
2. Remember: If the reviewer or reader is confused, this is your problem, not their problem.
3. Use active voice!
4. Edit! Edit! Edit! (e.g., cut all phrases such as, "in order to"; cut all boilerplate sentences (e.g., "in today's society")
5. Use friends as editors

C. Action items for you to take now

1. Write down every idea you have in a logbook or journal
2. Write every paper with the intention/expectation it will be published
3. Ask other people to read and comment upon your work (in return, you should do the same)
4. When you ask someone to read/comment or they ask you, ask for the date at which it will be no longer useful for them/you

D. Before you write your first academic paper

1. Read many related articles in the best journals in your field.
2. Make sure you understand the style of an academic paper

E. Responding to reviews:

1. Out and out rejections: learn and move on
2. Discouraging revise and resubmits: try to understand the editor and reviewer before beginning the revision
3. Encouraging revise and resubmits: be careful to pay attention to details – they want to accept your paper.
Appendix 2

Tips on how to do a good journal review for a paper (adapted from Leigh Thompson):

A. In general...

1. Don't be nasty or chastising (e.g., "the author is under a terrible misassumption…"; "the author failed…")
2. Imagine that you will be reading your review to the author in a face to face meeting
3. In general, do not criticize papers on the grounds of external validity (e.g., "does this generalize to all managers?")
4. Make 3-4 main points and then make a list of your small, picky items
5. A good review is typically between 1-3 pages
6. Things to look for:
   a. Is there a new idea in this paper?
   b. Is there information gain from this paper or is it a conceptual replication?
   c. Are the results meaningful and worthwhile?
   d. Are the operationalizations true to the conceptual variable?
   e. Are there confounds?

7. Never say, this should be published or not, etc. (that is the editor's job)
8. Try to suggest solutions, not just problems.

B. Morals and ethics

1. It is NOT appropriate to cite papers that you are reviewing
2. It is inappropriate let someone know you are reviewing his/her paper at any time before or after, no matter what your current relationship with this person
3. If your relationship with the author may materially affect your review, tell the editor before doing the review.
Appendix 3

Tips on how to successfully present a research paper to an academic audience (adapted from Leigh Thompson):

A. Substance

1. Tell a story at the beginning (parable; personalize)
2. Tell audience what your agenda is (3-4 parts)
3. Make your experimental methods clear!! (flowchart). Can your friend in another field follow the details?
4. If your audience members are all experts in the area - don't bore them...
5. If your audience members are not experts (high variance) – don’t lose them

B. Style

1. Do not make font too small - get the details right
2. Do not get defensive
3. Do not refuse to take questions at any point during the talk
4. Do not insist that questions should be postponed until end of talk
5. Be thoughtful about questions (they are what you are evaluated upon)
6. Rehearse!
7. Be ready to hear questions that have never occurred to you before.
8. Be flexible on time. Be ready to shorten parts of your talk.

C. Action items you can take now

1. Seize most public speaking opportunities
2. Submit your work to conferences
3. Get a tough skin.