15.067 Fall 1999

Assignment #1

As preparation for participating in the Street Streaker negotiation, to be done in our first class,

READ:

The first three chapters (42 pages) of Thompson:

Chapter 1: *Negotiation: The Big Picture,*

Chapter 2: *Preparation: What to Do Before Negotiation,*

Chapter 3: *The Conduct of Negotiation: What to Do at the Bargaining Table.*

Also read “Anchoring and First Offers in Negotiation” (HBS 9-895-070) in your course packet.

We revisit the advice offered in Chapters 2 and 3 often, especially once we begin integrative bargaining (Assignments 5 and beyond).

The "Street Streaker" is a “warm-up” distributive bargaining case.

Questions to think about:

1. How much, if at all, do you think an increase of $100 in the Seller’s opening demand influences the settlement price?
2. How much, if at all, do you think a decrease of $100 in the Buyer’s opening offer influences the settlement price?