
Teaching Note

Negotiating for Money: Adding a Dose of Reality to Classroom Negotiations

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Negotiation and conflict management courses have become increasingly common in business schools around the world. Frequently, these courses employ role plays and simulations to encourage students to try new strategies, tactics, techniques, and behaviors. While these simulations generally are designed to elicit realistic negotiation dynamics, they often lack the full emotional tension inherent in actual negotiations. One possible reason for this reduced tension is that no tangible resources, such as money, are at stake. This article describes an experiment in which MBA students paid a player's fee at the beginning of a negotiation course, and in which each negotiation exercise had an actual dollar value at risk. The article reports some results from this experiment and offers suggestions for instructors who might seek to add a player's fee to their own courses. In general, most students found the experience valuable, as it provided performance benchmarks while focusing their attention more sharply on risks and returns.

Key words: negotiation, pedagogy, simulations, realism, money.

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Introduction

One challenge for negotiation instructors is how to foster an environment that allows students to employ strategies, tactics, and behaviors that reflect their natural instincts, while also enabling them to learn new approaches in realistic situations. This might involve using simulation materials that draw from actual, if not recent or ongoing, public or commercial negotiations (de Carlo 2005; Ebner and Efron 2005). Still, these negotiation facsimiles often lack a realistic dimension, particularly if students fail to take ownership of their roles. In fact, when just one student fails to embrace his or her role, the experience can quickly lose its edge (Schilling, Mulford, and Ingmar 2006).

Generally, when students engage in a negotiation simulation, the stakes involve their public identities and/or their egos. This is no small issue for many of us. Indeed, recent research has documented the importance of “subjective value” in negotiation — that is, social-psychological factors such as self-esteem and sense of fairness — in addition to the more objective aspects of a negotiated outcome, such as the monetary gain or loss (Curhan, Elfenbein, and Xu 2006). At the same time, some students may be less engaged in a simulated negotiation with no tangible stakes than they would be in an actual negotiation, in which (for instance) their personal finances or those of their employers or clients might be affected. To the extent that the absence of substantive stakes creates a degree of detachment for some students, this may not only affect students’ play but their learning as well.

This article describes my experience with a recent negotiation class in which the negotiation exercises had a small but real monetary amount at risk. Each student paid a “player’s fee” at the beginning of the semester, and some of that money was at risk for each in-class and out-of-class activity. The following sections discuss the educational motivation for this experiment, the logistics of administering the player’s fee, the students’ assessments of this experience, some pedagogical lessons learned, and suggestions for how other instructors might employ a player’s fee. The integration of real money into classroom exercises seems to have heightened students’ levels of engagement and also provided opportunities to demonstrate negotiation and conflict management concepts in action.

Realistic Experience as an Element of Inductive Learning

Negotiation instructors employ many different approaches, techniques, and tools to aid students in assimilating new information and skills. Among the more commonly used tools are lectures, readings, cases, problem-solving exercises, discussions, videos, role plays, simulations, and examinations. Often used in combination, these methods are intended to capture and hold the attention of students, spur thinking and analysis, and ultimately promote the transfer of knowledge or skills (Fox 2005; Weiss 2005).

Typically, students acquire new knowledge and skills through either induction or deduction (Felder and Silverman 1988). The inductive approach moves from the specific or particular (observation) to the general (governing rule or theory). Through introduction to a problematic situation, the student experiences tension that drives her to look for heuristics, models, and theories to understand the experience. Induction is a relatively natural learning style, as much of early childhood involves encounters with new situations and challenges that provide opportunities for life's lessons (often provided by one's parents).

In contrast, the deductive approach moves from the general (model or theory) to the specific (application). It involves deducing consequences from a given theory or principle. The introduction of a mathematical formula (e.g., the Pythagorean theorem) or stepwise process (e.g., Expectancy Theory), followed by application of that formula or process to a variety of problems, exemplifies this approach.

While the deductive approach is seen by some as a natural teaching style, it also can give a false sense of order to an imperfect world. Overall, the inductive approach has been found to be the more effective teaching approach, leading to increased academic achievement, enhanced abstract reasoning, longer retention of information, greater confidence in problem-solving abilities, and increased creative thought (Felder and Silverman 1988).

According to Jeffrey Loewenstein and Leigh Thompson (2000), many negotiation instructors rely heavily on simulations as a learning methodology, following a three-step, inductive approach: (1) allow students to learn by doing, (2) reveal expectation failures, and 3) offer explanations.¹ The first of these steps involves giving students an authentic experience, such as a role simulation, which can be used as a basis for revealing behavioral preferences and their consequences (Knowles, Holton, and Swanson 2005). In theory, students learn from their mistakes, aided by the insights and observations of their instructors and peers. As with many processes, the early stages of learning are critical to the success of later stages: the "authentic" experience must be meaningful.

Clive Beck and Clare Madott Kosnik (2006) contend that knowledge is: (1) constructed by learners, (2) experience based, and (3) social. Only when those experiences are meaningful, however, can we expect attention to occur and learning to follow. There are several ways in which to construct meaningful experiences, including the use of current events as a basis for negotiations (Ebner and Efron 2005). Although negotiating a current event can add legitimacy to an exercise, it still does not guarantee the level of social and emotional engagement that both teachers and students find valuable. As my colleague Jerry Harvey once pointed out, students engaged in a role simulation are *playing* a role, not *experiencing* it (Schilling, Mulford, and Ingmar 2006).

The Unique Effects of Money on Negotiators

One element of role plays and simulations that can create this social and emotional engagement — a tension that is often missing — is a monetary consequence. Many business-oriented role simulations include financial issues such as purchase price or salary; in some cases, the financial issue is the primary issue to be negotiated. Once the exercise is completed, however, no real money changes hands. The students recognize this limitation *a priori*, diminishing not only the consequences of “failure” but diminishing the importance of their negotiation approach as well.

In actual negotiations, money operates as both an intrinsic factor (motivator) as well as an extrinsic or “hygiene” factor (Herzberg, Mausner, and Snyderman 1959).² Intrinsic factors include important symbolic attributes that most humans strive for, such as achievement and recognition, status and respect, autonomy and control, and power (Mitchell and Mickel 1999). Attainment of these attributes is intrinsically satisfying and motivating for most people. Extrinsic factors — for instance, working conditions or organizational policies, also known as “hygiene” factors — are those that do not necessarily increase motivation or satisfaction but can reduce dissatisfaction. Money falls in both categories.

These two facets or dimensions of money are somewhat unique, because money can reduce dissatisfaction while simultaneously increasing satisfaction and motivation. Consequently, money often creates a special tension in all types of work situations, including and especially in negotiations. According to Edwin A. Locke and his colleagues, “no other incentive or motivational technique comes even close to money” (Locke et al. 1980).

This raises some interesting questions regarding classroom activities. Can money’s dual nature as an incentive add a dose of reality to classroom role plays and simulations, and ultimately increase engagement, focus, and learning? How much money should be at stake? What are the risks (e.g., social or legal) of negotiating for money in the classroom, and how does one manage (negotiate) these situations? The following sections describe my initial attempt at introducing real money into an academic negotiation course, as well as some lessons learned from the experience.

Administering a “Player’s Fee” in a Negotiation Course

Given the uniquely motivating properties of money, and in the interest of creating a more realistic negotiation experience for students, I introduced a “player’s fee” into my MBA negotiation course at American University’s Kogod School of Business. This fee, paid at the beginning of the semester, was intended to add a monetary dimension to each negotiation exercise.

Twenty-five students participated in the course, which met for two-and-a-half hours once per week for fifteen weeks. On the first day of class, I told the students that money is often an issue in business negotiations, that

the course would employ a player's fee for the first time, and that the fee was intended to add another dimension to our negotiation exercises. I also told them that this monetary twist on negotiating had been approved by the dean. The relevant paragraph in the syllabus read as follows:

Player's Fee: As indicated under Course Activities, this course will consist of a number of negotiation role plays and simulations. To make these activities more interesting and meaningful, each student will be assessed a \$20 player's fee at the beginning of the semester. That money will go into a kitty, along with the royalties from my book (\$1 per book). Each negotiation simulation will have a dollar-value associated with it (approximately two dollars), and your performance in that simulation will determine how much of that dollar-value will go back to you and how much will remain in the kitty. At the end of the semester, the money remaining in the kitty will be used to buy food to be shared during our class wrap-up.

I asked the students to bring their \$20 player's fee to the next class (cash or check), and that I would hold the money in the "kitty."³ No one raised any specific issues or questions at that time, and over the next week or two, most students paid their fees. In one case, however, a student appeared to take offense to the whole notion of a player's fee, even claiming that he did not have any money with him. I suggested that he borrow money from another student (a negotiation), which would have removed me from the negotiation. He refused, with some indignation. A week or two later he finally paid.

Securing Approval

I secured the dean's approval before instituting the player's fee. This was a lesson that I had learned earlier. During the course of teaching negotiation over the years at a number of institutions, I had experimented with a wide variety of techniques and exercises. In one case, I assigned students to inquire about purchasing real estate (which they likely had no intention of doing). Word got back to my department chair, who called me into his office, concerned that this exercise might reflect badly on the university in the local community. I had not cleared this exercise with him in advance and should have done so — a lesson I learned and carried forward to this course.

Any and all potential issues with negotiating for money (e.g., concerns about the appearance of gambling, discussed later) should be shared with the appropriate administrators. The fact that all money collected will be given back to the students in some form, such as food at semester's end, should be stressed. And the fact that a player's fee has been employed in at least one other class (my class) means that there is a precedent for using such a learning device, which is always a good thing to have in a negotiation (Cohen 1980).

Assigning Monetary Stakes to Negotiation Exercises

The course included approximately ten exercises⁴ in which actual money was at risk. In order to spread the risk over the course of the semester, I assigned dollar values to the potential outcomes such that in each exercise, students could lose up to around two dollars of their \$20 player's fee to the kitty (though there were some exceptions, as I will discuss).

One concern I had was that assigning monetary worth to these exercises amounts to gambling. If this were the case, the instructor and the institution might face legal consequences. Partly out of concern for gambling issues, I chose not to allow any winnings. That is, the best a negotiator could do in any given exercise was to break even (i.e., not have any money transferred from his player's fee to the kitty). Thus, at the end of all the negotiations, no one could actually receive more than their original \$20 back. While I did not check with one of the law professors or the university counsel to be certain that this absolved all relevant parties of gambling or other violations, such an inquiry would seem entirely appropriate.

The system of deducting from a prepaid player's fee while not allowing winnings solved another problem. With a two-party, zero-sum negotiation, such as negotiating the purchase price of a product, the final outcome will result in one party being up X dollars and cents, and the other party being down X dollars and cents. The net effect would be no change in the kitty. A system of not paying out to winners, while transferring money from losers' players' fees into the class kitty, allows the kitty to grow. (Note: Some students asked whether their "winnings" for a given negotiation could be applied against their overall deficit for the semester. I did not allow this, partly because the goal was to grow the kitty sufficiently to pay for an end-of-semester party, and partly because I was concerned that this might be construed as gambling.)

The monetary value assignments were somewhat arbitrary; they were designed largely to spread the \$20 player's fee across multiple exercises and to ensure that each exercise had an actual (if very small) dollar value at stake. As an example, for the two-party, eight-issue negotiation, outcomes ranged between 14,000–28,000 points for individuals and between 40,000–51,000 points for joint scores. Because this negotiation had both individual- and joint-outcome elements, the students were rewarded or penalized for both: they earned 5 cents for every 100 points above the median for individual scores and lost 5 cents for every point below the median, with a maximum gain or loss of \$1.00. They also earned 5 cents for every 100 points above the median for their joint or total score, and lost 5 cents for every 100 points below this median, again with a \$1.00 maximum. Individual and joint scores offset each other, so that if a student's individual score was 500 points above the median (which translated to +25 cents), and her joint score was 1,500 points below the median (which translated to

-75 cents), she would lose 50 cents to the kitty (+25 - 75 = -50). "Earning" money through one's individual or joint score was only relevant insofar as it offset losing money through the other score, because students did not actually earn real money through a net positive score. Thus, the best a student could do financially was to break even, and because of the \$1.00 loss limits on the individual and joint scores, the most he could lose was \$2.00.

For the Prisoner's Dilemma exercise, students negotiated in teams of two, with each team playing eleven rounds "against" another team. As in the multi-issue negotiation, if a team finished with a positive score, no money from either team member's fee was contributed to the kitty. If a team finished with a negative score, each team member contributed ten cents to the kitty for every point below zero. In this exercise, I did not limit the maximum loss by each team member to two dollars and, consequently, one team finished with -34 points and had to pay \$3.40 each to the kitty.

Another exercise involved returning a package of sponges without a receipt to a retail store. I had purchased the packages from a store, the name of which I did not reveal. Thus, students went to a store of their choosing, which in all likelihood was not where the sponges had been purchased, and attempted to return the sponges. The difference between their refund and my purchase price determined how much money went into the kitty. If a student obtained a \$1.50 refund for sponges that originally cost \$2.00, for instance, then 50 cents would be transferred from that student's player's fee to the kitty. In some cases, the students obtained more money for the sponges than I originally paid. This excess money went into the kitty as well, with no net effect on the student's player's fee.

The sponge exercise, by the way, led to extensive discussion about the ethics of returning items to a store other than where I had purchased them. Despite assurances from managers at two supermarkets that this was not an issue for them, the classroom debate was lively. This provided an easy transition to other issues of ethics and negotiation, including distinctions between deception, lying, and fraud (Menkel-Meadow and Wheeler 2004).

Assigning points and monetary values can get more complicated, of course, if students create additional options such as contingency clauses, or if the exercises include no quantitative elements (e.g., a mediation involving disputed property lines or water rights). In the case of the former, I did not assign monetary value to contingency conditions, although I applauded students for thinking outside the box. While I did not use any exercises without a quantitative element such as points or dollar values, an instructor using a nonquantitative exercise might assign some monetary value for reaching an agreement more desirable than the alternatives.

Before most negotiations, I clearly stated the amount of money that would be at stake. In some cases, however, revealing the stakes and how they would be assessed could compromise the exercise, so I did not specify

exact numbers in those cases. Nonetheless, students had a sense that no single exercise would bankrupt them (although this might create interesting circumstances for subsequent negotiations if the student could continue to negotiate while in bankruptcy).

Given that the students had the potential to lose money in each exercise but not to gain any, it is conceivable that loss aversion played a role in their negotiation behavior (Tversky and Kahneman 1992). Another approach might be to allow students to “earn” money through good negotiated outcomes — that is, to work up from zero dollars rather than down from twenty dollars. Under this approach, each activity could be worth a certain amount (e.g., two dollars), and the student’s goal would be to earn as much of that amount as possible, thus moving money from the kitty into her account. Again, however, I chose to avoid this approach because of concerns that it could be construed as gambling.

Nonagreements

As anyone who has ever conducted negotiation role simulations knows, not every simulation will end in agreement. Time limits, personalities, and other factors can prevent some participants from reaching an accord. What happens if the participants fail to reach an agreement? If there is no agreement, does no one lose any money to the kitty?

In reality, negotiators sometimes confront negotiations in which the other party is so unreasonable that the best outcome is to walk away from a bad deal (Shell 1999). Often, however, walking away is not an attractive option, and parties who do so are worse off than they would have been with an agreement. Most of the negotiation exercises in my class were constructed such that the parties really needed an agreement. Thus, attaching a dollar amount to a failed negotiation restores a bit of reality to the situation.⁵

Consequently, for a negotiation with two-dollar stakes, I set the cost of not reaching an agreement at \$1.50. This number was somewhat arbitrary, although it turned out to be slightly more than the average loss (which was assessed for a missed class exercise). No one complained about the figure, and whether or not it precipitated any additional agreements is not certain. In at least one case, a student chose the “no deal” option and accepted the no-agreement penalty rather than give in to what he thought were unfair terms.

Matching Counterparts

Of course, the quality of a student’s negotiated outcome depends not only on her own behavior but also on that of her counterpart. I encouraged students to negotiate with different individuals each week, particularly with individuals that they did not know well, to ensure that they experienced a variety of styles and personalities. Over the course of the semester, reputations began to emerge: some students became known as tough negotiators, while others were seen as more accommodating. Nevertheless, no student

refused to negotiate with any other student, perhaps because the stakes for these negotiations were not viewed as excessive. If this were to occur, an instructor might use a random drawing to match negotiators.

Occasionally, I had an odd number of students present for a two-party negotiation exercise. This raised the question of how to fairly assign the “odd person out.” In previous classes, I would sometimes negotiate with the extra student, but with money at stake, this seemed to put the student at an unfair disadvantage, particularly if I wrote the exercise. Instead, I elected to pair the extra student with another student playing the same role. In such a case, the stakes of each person in the dyad were at risk. That is, the dyad is not playing for two dollars but rather for four dollars.

Reporting Results

I attempted to let students know the financial implications of their agreements and outcomes as soon as possible. In some cases, I did not share the financial implications until after the exercise was completed, because the exercise could lose its punch if the scoring possibilities were revealed before the simulation was played. Consider, for example, negotiations involving seven or eight issues, with point values attached to the potential outcomes for each issue. To reveal the monetary value for individual issues or for all issues, as well as the fact that both individual and joint outcomes would be considered, might well defeat the purpose of the exercise.

I also attempted to keep students apprised of their overall contributions to the kitty, using a spreadsheet. I told students where they stood at a couple of points in the semester and again at the end of the semester. This gave them an opportunity to correct any errors and redouble their efforts before the final tabulation. It also allowed them to chart their progress throughout the course, as the two-dollar stakes served to normalize otherwise disparate in-class and out-of-class negotiations.

The Final Kitty

The total money in the kitty at the end of the semester, minus the cost of items that were auctioned off in an earlier exercise, was \$57.87. This is a very modest amount for a class of twenty-five students. The small amount was due in part to: (1) the number of negotiations, which totaled seven rather than the ten that were expected; (2) the modest stakes (\$2 per exercise); and (3) the monetary scoring system, which may not have been sufficiently progressive. It was also due to the fact that in distributive negotiations, there was a winner and a loser; only the loser paid into the kitty. And it also reflected the students' high skill levels — most of them ended up “in the black” for the Prisoner's Dilemma exercise. Nonetheless, every student lost at least a small amount of money at some point during the semester. The most money lost by any student was \$6.66.

Interestingly, when it came time to write checks to students for the difference between their original player's fee and their losses, many

students asked that I apply the entire amount toward the class party. Indeed, one of the first students to suggest this was the student who had initially refused to pay his player's fee. When all the money from the kitty was combined with the royalties for my book (which we were using in the course), we had enough money for a considerable feast of hot and cold hors d'oeuvres as well as sweets.

Whether the students would have responded similarly if they were "earning" money rather than losing it with each simulation remains to be determined. Similarly, it is possible that students would not feel so generous if the stakes were higher (and the total player's fee, as well) (Bazerman 1984).

End-of-Semester Evaluations

The course evaluations asked students to comment specifically on the concept of a player's fee, including whether or not they felt adding a monetary dimension should be adopted for future classes. Of the twenty-three students who completed the evaluations, fifteen (65.2 percent) felt the player's fee should be used again, four (17.4 percent) felt that it should not be employed, and three (13.0 percent) did not have a strong opinion either way. One student left this part of the questionnaire blank.

The majority of students who favored the player's fee thought that it "added a competitive element and increased the incentive to do well, it acted as a benchmark," it "added an extra element of reality to role plays," it "kept players thinking about risk/return," and it encouraged students to "be more serious." Some students also favored the fact that the money was used for an end-of-class party.

The students who were uncertain about the player's fee indicated: (1) that it did not provide enough of an incentive, (2) that they were not motivated by money, and/or (3) that they were more motivated by grades than by money. In fact, several students who wanted to see the player's fee continue in future classes felt that the stakes could be increased (doubled, according to one student). One student noted that "it didn't seem to matter after a while," suggesting that the small, constant stakes may have lost some significance over time. This suggests that a system of progressive stakes may be more effective: during the course of the semester, the money at stake in simulations increases (from \$2 to \$4, for example). Indeed, some research on motivation and goal-setting suggests that a specific outcome or reinforcer can lose its potency over time (Murphy et al. 2003).

Another approach would be to allow each student to set his/her own stakes for a given exercise, with the instructor setting a minimum and maximum for the class. This introduces the concept of risk orientation, an aspect of personality that is important in understanding negotiation behavior (Volkema 1991; Tversky and Kahneman 1992).

Students expressed their desire for a greater incentive in several different ways. One student wanted to be able to make back his or her money,

while another suggested that if a player does well, he/she should be able to keep the money. (This argues for the alternative system of having students “earn” money rather than avoid losing it.) Two students preferred immediate payoffs rather than waiting until semester’s end. Another student wanted to see the names of the top three winners displayed.

Three students felt that the scoring system was confusing at times. This reflected several realities. First, the scoring system was complex, particularly for negotiations such as the eight-issue negotiation with integrative potential. Second, the system was different for each exercise because the design and purpose of each exercise was different (e.g., two-party versus multiparty, few versus many issues, distributive versus integrative outcome). As explained previously, the scoring system was necessarily somewhat arbitrary and, in some cases, was not revealed until after the simulation was completed.

Conclusion

One challenge of introducing any pedagogical innovation is that surprises and problems frequently arise during the first implementation. Results almost always improve significantly the second time around. This article offers some insights and guidance that might reduce surprises and disruptions. Every instructor employs different simulations and exercises, however, which require their own customized scoring systems. This suggests that lessons will nevertheless be learned, and these lessons may be seen as “teachable moments” for students as they observe how the instructor negotiates these challenges (Nadler, Thompson, and Van Boven 2003).

In my case, I introduced the player’s fee into a negotiation course that I had taught several times previously. Because teaching negotiation creates enough inherent challenges, most new instructors would be well advised to wait until they have mastered the details of implementing simulations before introducing a more complicated feature like a player’s fee. Experienced instructors, however, may be interested in experimenting with a modest player’s fee. If the player’s fee is some fraction of the cost of a book (\$40–\$50), students will likely find it acceptable. By increasing the stakes over the course of a semester, much as some instructors will do in later rounds of the Prisoner’s Dilemma game, instructors can lessen the chance that the monetary stakes will lose their potency.

Ultimately, funneling the money back to the students (such as through an end-of-semester party) suggests that it is still a game. Paying out actual money at the end of class is a more risky approach, although the proceeds could always be directed elsewhere (e.g., a gift to the school, a scholarship fund, a nonuniversity charity).

Negotiating for real money in a class will probably be a first-time experience for most students. Unlike a real negotiation setting, in which tactics and outcomes might not be revealed beyond the immediate parties, negotiating in the classroom can be a very public experience. Cognitive

dissonance is greatest when one's behavior is: (1) counter-normative, (2) public, and (3) voluntary (Festinger and Carlsmith 1959). All of these conditions are likely to be present when a student's choice of tactics is revealed, and his or her associated outcome is below the class average. It is important to be sensitive to this potential dissonance and to help students to view the entire process as a skill-building experience.

Learning, of course, is the ultimate objective of classroom exercises. While my initial experience with the player's fee suggests that it may increase students' attention or focus as a result of the additional sense of realism that it fosters, there is no guarantee that there will be increased learning (i.e., acquired knowledge put into action). Although beyond the scope of this article, it might be worthwhile to conduct a controlled experiment in which some students negotiate for money and others do not. Outcome measures in this experiment might include class attendance, perceived focus/attention, knowledge acquisition, and skill development. These latter two measures could be based on both self-reports and objective measures (e.g., testing). Varying the stakes and the method of monetary adjustment (i.e., deducting losses from the player's fee versus starting from zero and adding gains) could also be examined.

NOTES

1. Loewenstein and Thompson (2000) point out that, while the three-step inductive approach is widely used by negotiation instructors, it does not work as well as one might hope, given that many negotiation students fail to transfer their knowledge from the classroom setting to other comparable settings. Loewenstein and Thompson suggest the problem of inert knowledge as one reason for the transfer failure. Another possibility may be that students do not sufficiently engage — socially and emotionally — with classroom exercises to internalize the learning to the point that it becomes transferable.

2. Frederick Herzberg and his colleagues (1959) put money in the hygiene category, even though the results of their research actually found money split evenly between the two categories.

3. The fund created by the players' fees, or "kitty," might be kept in a number of places, including a safety deposit box or a bank account. Obviously, because the kitty is intended to hold the players' fees and not to benefit the instructor, the instructor should be explicit about the location of the kitty, and should be careful to avoid accruing any personal benefit (such as interest) from maintaining the kitty.

If the kitty is maintained in a bank or other financial institution, an instructor would be wise to open a separate account rather than employ an existing personal account. The latter makes determination of the actual interest accrued during the semester more complicated to calculate and, hence, difficult to communicate to students. Many banks will allow a second account to be opened at little or no charge in conjunction with a larger personal account. Obviously, any interest that accrues to a kitty that resides in an interest-bearing account should become part of the monies used to buy food for the class at the end of the semester.

An additional advantage of a checking account is the fact that checks provide a record that students received the remainder of their player's fees. If the remainder is returned as cash, students should sign a receipt confirming that they received the money. Otherwise, different recollections regarding a payment could result in a very public dispute (a teachable moment, to be sure, but one you might prefer to avoid).

4. The exercises included a simple buyer-seller negotiation, an eight-issue negotiation with integrative outcome potential, a Prisoner's Dilemma exercise, return of an item without receipt to a retail store, auctions of food and money (the classic auctioning off of a dollar bill), and a multi-issue, e-mail-based negotiation with students in another country.

5. Obviously, the design of a given simulation (e.g., point values, BATNAs) will determine the monetary values associated with various outcomes. It is possible for “walking away” to be worth more points than accepting a bad deal or exceeding one’s authority. In those cases, point values may actually favor a nonagreement.

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