

Mandell Clip 6 Transcript

BRIAN MANDELL: Can you just put up the slide with their results again just before going to this?

BRADY: Yeah, sure.

BRIAN MANDELL: A core gift of all the work that you do in negotiation in a class context is that you often get to see what other people have done. In your real world negotiations, you won't get to see what other people have done. As I have told many of my MPP students who I teach in the fall semester, I had a case a few years ago where two graduating MPP 2s went to an outfit in San Francisco. They both came home with a job offer, a \$10,000 differential in starting salaries and different sort of packages.

And it got me thinking about, what was the nature of the interaction between that student and the potential employer that produced these results? So take just 30 seconds, look down the price. Do a very, very short discussion with the person beside you, and, knowing what you did, comment on what's our lowest, Brady?

BRADY: \$4.25.

BRIAN MANDELL: So we have \$4.25 to \$15. Now you're all smart, capable people. How does this wide differentiation in our data, how do you explain these different results? Have that discussion for just a few seconds with the person beside you.

[INTERPOSING VOICES]

BRIAN MANDELL: OK, so you're competing here for your explanations here. OK? So I want to understand how the smartest group of people at the Kennedy School taking this

course, pursuing graduate degrees in public policy, how do we explain this spread? Thinking through the cultural filter, how do we go from \$4.25 to \$15? What's your explanation? Just as we call on you, just wait a few seconds. Yeah, go ahead, Josie.

JOSIE FISHER: So I think part about how people interpret their roles. So I think there's enough uncertainty in how it's written for Fuji in our group told us that they could get the airplane flown in rice for \$10. And so we interpreted that as, OK, we obviously have to go below that because, why would they make a deal with us? But I think there's an interesting point here in how you could leverage that uncertainty to craft the narrative to get the deal you wanted to get.

BRIAN MANDELL: Right. And so, how that uncertainty zone is felt. Yeah?

SPEAKER 9: I think this was also a trade off between one-time deal and a sustainable deal. I was playing the Hawani, and we could have gone lower price and clinched the deal with Fuji. But given that regional cooperation was very, very important in our relationship with Indocarta, I think we'd have burned that bridge to build that relationship. But we agreed on some concessions where they said that they will be a trading partner in industry with us. They were leasing our vessels and so on and so forth. So we also shared the production. So rather than going directly for one time deal, I sat there and said, maybe it should be a sustainable. Over time, we gain economically in end case if we made some concessions.

BRIAN MANDELL: And where are the \$4.25 people? Where are you? Are you going to sleep tonight? Are you ashamed of yourself?

MATTEO: More broadly on the spread of results, so I think what's difficult here is that we're not giving scores. We're not giving points. We have no frames--

BRIAN MANDELL: Correct.

MATTEO: --in terms of results. We don't know what winning represents. Or within people of the same culture, different individual can have different priorities.

BRIAN MANDELL: Right. And so, I wanted you to have an exercise where there isn't that kind of pointed structure that's giving you the floor and a potential target point. Any other explanations? Ken? Just get you a mic.

KEN: We were in group 20, and we got to a \$12 deal. And just to respond to [INAUDIBLE] point about cultural appropriateness, I come from Southeast Asia. And I think part of the reason why we got-- we framed the deal because we were talking about my family and how we were both sick of the civil war. And we used that framing to be able to show that if we have an economic agreement, we will be able to have a more sustainable peace agreement in the future, so just testing out the peace deal essentially that those--

BRIAN MANDELL: OK, so we use history as our persuasion frame. If we can both become viable economies, we can get beyond this conflict. Any other sort of as you reflect on the spread? John?