

MBA EDUCATION AND NEGOTIATION COMPETENCE: EXAMINING THE IMPACT OF EXPERIENTIAL LEARNING ON NEGOTIATION SELF-EFFICACY

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Abstract

Negotiation skills in the workplace play an essential role in the facilitation of the sales process, the resolution of conflict, and ensuring career success. This expertise is largely based on an individual's ability to effectively utilize their communication skills to create and claim value (Lewicki, Barry, and Saunders 2011). Negotiation efficacy, as a competency is a critical proficiency for prospective leaders. An investment in a MBA degree has been thought to be an important objective for aspiring executives seeking future promotions (Holtom 2007). An increasing number of MBA Programs have added courses in negotiation and/or conflict resolution as part of their curriculum. This trend supports the significance of negotiation as a critical skill to managerial success. Self-efficacy has surfaced as a proven concept to evaluate learning (Bandura 2012). Additionally, self-efficacy is based on Social Learning Theory and can be explained as an individual's confidence for the perseverance of explicit tasks in order to achieve targeted goals (Bandura 1999). This study addresses different experiential learning activities in the classroom that best support negotiation self-efficacy (Stevens and Gist 1997, Miles and Maurer 2012). Further, the authors have analyzed the impact of a Negotiation and Conflict Management class on negotiation self-efficacy among MBA students. This paper explores how MBA students can develop increased levels of negotiation self-efficacy to avoid leaving unclaimed value on the bargaining table.

The course includes video-recorded negotiation simulations performed during class and utilized during the debrief session. Furthermore, role-plays are conducted telephonically, electronically and face-to-face during class with student peers. The exercises include dyads plus team negotiations. The effectiveness of negotiation education can be enhanced when students engage in exercises that involve working in teams while employing analytical and communication skills (Plumly et al. 2008). Two textbooks were required for this course. The first text, *Essentials of Negotiation* provided content on the fundamentals of negotiation that included strategies of distributive (competitive) bargaining, the integrative (collaborative) negotiation process, and closing the deal (Lewicki, Barry, and Saunders 2011). The second text, *Negotiation: Readings, Exercises and Cases* contained role-play exercises plus scholarly research (Lewicki, Saunders, and Minton 2010).

Research Methodology

This research included the dissemination and collection of data via online surveys to students in this course. Pre and post survey instruments that encompassed both open and closed-ended questions were incorporated into the class over a four-year period across six courses. This study included the participation of 159 students on the pre and 141 students on the post survey. The smaller number of responses on the post survey can be attributed to the fact that some students end up dropping the class the first two weeks. This method provided a structure to determine the effectiveness of the course in supporting negotiation self-efficacy. Self-efficacy has been proven to be a powerful influence impacting negotiators' behaviors concerning improved goals when distributive or integrative strategies are employed (Sullivan 2006). Additionally, the surveys in this research included a self-efficacy scale designed to measure the strength of the participants' perceived degree of confidence on a 100-point scale of whether they would engage in the execution of specific negotiation tactics (Bandura 2006b). The statements included in the self-efficacy scale identify negotiation tactics that are either distributive or integrative (Tak Wing Yiu; Sai On Cheung 2012). Distributive tactics are used to gain concessions and claim value from the other party while integrative tactics involve creating value and addressing the interests of all the negotiation participants (Yiu & Cheung, 2012).

Conclusions

After taking the Negotiation and Conflict Management course participants overall intended to be more confident, likely to achieve their negotiation outcome goals, plus competitive and collaborative in future negotiations. This is a significant finding since students indicated an improvement in the likelihood that in future negotiations they would be more inclined to create and claim value and less likely to leave unclaimed value on the bargaining table. Additionally, the results support previous studies which indicate negotiation self-efficacy can have a positive impact on learning and can lead to improvements (Kuratko, 2005). This study substantiates previous research documenting specific educational pedagogies, for instance, experiential activities involving simulations and modeling that can build increased student negotiation self-efficacy (Guerrero & Richards, 2015). The findings demonstrate, that classroom simulations should be implemented face-to-face, telephonically and electronically in dyads, and teams involving modeling, videotaping and debriefing to improve outcomes. The results of this study validate that MBA education relating to negotiation self-efficacy can have a positive impact upon student learning.

References Available upon Request