BARGAINING, NEGOTIATION & CONFLICT RESOLUTION IN A GLOBAL BUSINESS ENVIRONMENT

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OFFICE HOURS: Tuesdays / Thursdays 12:45 p.m. – 2:00 p.m. (other times by appointment)
CLASS MEETING: Weekly (3 hours)

COURSE DESCRIPTION

Managerial success in the 21st century demands the ability to negotiate effectively in global world. Managers need to understand the complexity of influencing outcomes through bargaining, negotiating and resolving conflict. Arming themselves with solid financial analysis and a clear understanding of the global marketplace empowers managers to become strong global negotiators. This course is designed for anyone interested in developing negotiation abilities. Because it does not presume any sort of background in negotiation, the course begins with fundamentals. Negotiating in the United States is compared and contrasted with negotiations in and across other cultures, whether the negotiation takes place in the United States or elsewhere. The goal of the course is not to turn students into negotiation experts, but to expose them to a variety of negotiations challenges so that they can begin the process of developing their own styles. Special emphasis is placed on international business negotiations.

COURSE OBJECTIVES

This course aims to assist in the development of personal negotiation strategies. We will engage in a series of experiential exercises (mock negotiations). In business, as in life, there is no single right answer; there are, however, a lot of “wrong” answers. The hope is that this course will show how and why “wrong” answers can and should be avoided through effective communication and negotiation techniques.

Course objectives focus on enabling students to become more aware of their presence as negotiators so that they can become more adept at influencing outcomes. An array of opportunities will be offered:
To confront complexity of decision-making in global business environment and recognize
common patterns of success and failure in international business dealings;

To explore ways of adapting communication approaches to international/intercultural settings;

To identify challenges associated with negotiating in a global business environment, with special
cornerstone to specific countries and or regions, such as Asia, India, Middle East, Europe,
Eastern Europe and Latin America;

To practice employing cultural sensitivity required to conduct successful international
negotiations;

To prepare for negotiations with analysis evidencing a clear understanding of major economic
and financial factors;

To understand how marketing efforts are influenced by global and cultural situational factors;

To develop ability to apply frameworks to effective negotiation and conflict resolution;

To respond to changes in the local, regional and/or global business environment;

To exercise moral imagination and creative thinking in expanding range of options available for
resolving disputes;

To enhance persuasive communication and critical-thinking abilities that emphasize listening,
paying attention, persuasion and relationship-building;

To adapt negotiations strategies to different formats (i.e., live, phone and e-mail); and

To listen to peers and learn from them.

CLASS FORMAT

This course is conducted according to the “case method.” This means that you will do most of the
talking. My primary role is to moderate, not to lecture. We, as a class, will discuss business situations
(cases) live and online. Prior to class discussions, students will be divided into groups for mock
negotiations. Students should come to class prepared to discuss the cases and share both their analysis
and recommendations. Expected participation will involve participating in mock negotiations,
contributing to case discussions and taking part in role playing exercises.

PARTICIPATION

Participation is expected and required in this class—it constitutes 50% of the student’s grade. Although
good participation involves active listening, listening alone does not constitute satisfactory participation.
Both quality and quantity are taken into account. Participation involves making valuable contributions to
class discussions through thoughtful comments or questions. Although voluntary class participation is
preferred, I will “cold call” individuals when necessary or appropriate to engage the class. Participation is
not about impressing me or agreeing with me; when you disagree with me or a peer, please just make
sure to frame your arguments respectfully and persuasively. Consider “participation” an evaluation of
how much you contribute to moving class discussions forward.
PARTICIPATION GRADING

The participation portion of the grade refers primarily to participation in mock negotiations and case discussions. Participation involves more than simply making a single statement; it encompasses engaging in active discussion (speaking, listening and responding).

Interim evaluation of participation, during which students will grade themselves and receive instructor feedback will take place midway through the term.

Participation is not about being right or wrong, but about willingness to engage in conversation – i.e., to share insight, thoughts and opinions. The greatest value in this course lies in you – in what you share with and learn from and about your peers. We often implicitly assume that people like us naturally agree. What becomes apparent in case discussions is how seemingly like people see things differently. The goal in our cases discussions is therefore to draw out controversy, and to shine a light on differences in our thinking.

Grading of participation is based on the answer to a simple question: What if everyone were participating at that level – i.e., what sort of discussion would we have? It is not about counting if a student makes a comment in class. It is a measure of both quantity and quality across classes generally. If you would like specific feedback, feel free to let me know at any time. My first question will be: “How would you grade yourself?” After you answer that question, I will then offer my input. The reason I ask you first is to use this opportunity to see if our standards of evaluation are similar so that you will know how to gage your participation going forward.

Factors that increase participation grade

- Meaningful contributions
- Starting discussions (or contributing very early on)
- Game changing comments (i.e., contributions that change the movement of a conversation)
- Willingness to contribute when others are hesitant (i.e., generalizable question)
- High frequency of contributions
- Improvement

Factors that detract from participation grade

- Redundant comments
- Superficial comments
- Not moving beyond case facts
- Infrequent contributions
- Failure to participate
- Giving away what actually happened while the discussion is still open (most of these cases are “real”; please refrain from giving away the “punchline”)

Please keep in mind that the discussions are intended to draw out analysis, not as a way simply of getting to “an answer.” In fact, it is considered poor participation – and significant points will be deducted – for students who “give away” answers (i.e., if you know the ending of a case and share it as a comment). From time to time I will offer hypotheticals for us to discuss. They will be treated as hypotheticals. As a courtesy to your peers, please do not reference in any way the real cases. Our goal is to discuss cases with complete freedom – as if we did not already know the endings.
CLASS POLICIES & PROCEDURES

(Please note that standard GWSB policies and procedures apply as well.)

Attendance

Students are expected to be present and participate in class sessions. Attendance will be taken on a regular basis. Class participation contributes to the student’s grade, and a student cannot participate if he or she is not present. A seating chart will be created in class on the first day and students will be expected to sit in the same seats for the rest of the term. In addition, please write the name by which you would like to be called on a name card (placard) and place it in front of you so that we as a class can refer to one another by name.

If you are late or miss class, it is YOUR responsibility to find out what you missed. After checking with TAs, feel free to contact me with additional questions.

There is no such thing as an “excused” absence—an absence is an absence. A single absence will not affect a student’s final grade; more than ONE absence could result in a grade penalty, particularly if work is not made up. Students are expected to make up any missed mock negotiations (ideally by doing the mock negotiation in advance) and to review recorded takeaways.

Laptops and Cell Phones

Your laptop computer, notepad and cell phone should be turned off during class (except if used specifically for class-related purposes).

GRADING

Grading will be at discretion of instructor and in accordance with school policies.

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<thead>
<tr>
<th>Deliverable</th>
<th>Points</th>
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<tbody>
<tr>
<td>Participation (Mock Negotiations / Discussions)</td>
<td>50</td>
</tr>
<tr>
<td>Introductory Expectations</td>
<td>10</td>
</tr>
<tr>
<td>Midterm Assessment</td>
<td>10</td>
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<tr>
<td>Final Negotiation</td>
<td>10</td>
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<tr>
<td>Final Assignment</td>
<td>20</td>
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Note: Students must earn a passing grade on participation to pass the course.
EXPLANATION OF GRADING

50% Class participation (including attendance, contributions to class discussions, active listening and engagement in exercises). Participation in all negotiations is assumed and expected. There will be a significant penalty for a missed negotiation.

10% Introductory expectations paper (5 pages). Coming into the class, what are your assumptions about negotiations and expectations for what you will learn? What is the role of culture in negotiations? What sort of intercultural or international challenges exist? What are similarities and differences between and/or among negotiating within a culture vs. across cultures? This paper is to be prepared prior to the first class meeting so that contents can be shared and discussed as a group.

10% Midterm assessment (5 pages). What have you seen so far? Cite specific examples from how reality has mirrored or diverged from your expectations. Please refer to specific cases (from in class exercises) in terms of how you have performed and why. Papers will be exchanged and you will be asked also to provide brief commentary (1-2 pages) on a peer’s analysis.

10% Final negotiation. Students will participate in a negotiation in front of class. Evaluation will be based on effective use of techniques discussed in class.

20% Final assignment (10 pages). Analyze a real-life negotiation. Discuss how successful it was. Apply both examples from negotiations conducted in class. Also refer to theory and principles from readings.

COURSE MATERIALS

Students are required to purchase individual access to course materials. Course materials are available for purchase on Study.Net (www.study.net) in lieu of a textbook. A credit card is required to purchase Study.Net materials. This one-time fee allows the purchaser to access materials electronically and print them for individual use. For an additional fee, you can have Study.Net mail a printed and bound copy of course materials. This fee is for individual use only. It is expected that each student will purchase legal access to Study.Net materials for him- or herself. Shared access is considered copyright infringement. Inasmuch as this is an ethics class, copyright infringement will not be condoned. Publishers reserve the right to seek legal action against copyright infringement and some schools consider theft of course materials a violation of integrity.

A variety of materials are available on Study.Net

✓ Cases (required to be read prior to class)
✓ Notes (written commentary providing background and further exploration of course themes)
✓ Articles (further examination of topics discussed in class; some of the articles will be mentioned briefly in class)
COPYRIGHT CAUTION (as articulated by Study.Net):

“As you know, copyright protection of original intellectual property is a big deal, particularly to the content authors and publishers. Therefore, it should come as no surprise that unauthorized copying or sharing of files, passwords, or access is prohibited. Bluntly, this activity is illegal. As with most things in life, it's best to just do the right thing.”

Copyright permission for case materials and notes is granted per student per class. In other words, it is considered a violation to share materials with other students in class. Please keep in mind personal accountability and the values that underlie the mission of GWSB.

Students experiencing financial difficulty should contact me so that I can inform Study.Net immediately to be considered. Study.Net offers limited scholarship assistance at the beginning of each term. Please let me know so that I can pass along and support your application for assistance.

GRADING SCALE

| 94 – 100 | A          | 81 – 83 | B-          |
| 91 – 93   | A-         | 78 – 80 | C+          |
| 88 – 90   | B+         | 74 – 77 | C           |
| 84 – 87   | B          | 71 – 73 | C-          |

ACADEMIC INTEGRITY

Academic honesty is expected with regard to individual and group work. Incidents of academic dishonesty will not be tolerated. Such incidents will be handled in accordance with school policies. For information about academic integrity at George Washington, please see http://www.gwu.edu/~ntegrity/code.html.

MIDTERM EVALUATION

Students are given opportunity midway during course to discuss performance. Specific information will be provided at that time. Briefly, it involves student first submitting self-evaluation, which serves as basis for instructor feedback. This feedback is strongly encouraged, but remains voluntary.

CLASS EVALUATION

Time will be provided for students to fill out teaching evaluations during the last day of class. These evaluations provide important feedback and everyone is encouraged to participate.
<table>
<thead>
<tr>
<th>SESSION</th>
<th>TOPIC</th>
<th>SESSION GOALS</th>
<th>CASES</th>
<th>READINGS</th>
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</table>
| 1       | Introduction                               | - Establishing ground rules                                                   |                                                 | “Using ’13 Days: The Cuban Missile Crisis’ to Teach About Negotiation”  
                                                                                                                                    |                                                                                                                                      |
|         |                                            | - Identifying reasonable expectations                                         |                                                 | “Getting to Si, Ja, Oui, Hai and Da”  
                                                                                                                                    |                                                                                                                                      |
|         |                                            | - Identifying role of culturally-defined mental models and/or biases           |                                                 | “Everyone, Say Hi to Kevin”  
                                                                                                                                    |                                                                                                                                      |
|         |                                            | - Developing understanding of culture and organizational culture               |                                                 | “How an Organization’s Rites Reveal its Culture”  
                                                                                                                                    |                                                                                                                                      |
| 2       | Fundamentals of Negotiating                | - Becoming familiar with various negotiation approaches and styles that work   | The Car (A & B)                                 | “How to Negotiate Practically Anything”  
                                                                                                                                    |                                                                                                                                      |
|         | Bargaining Styles                          | within and across cultures                                                    | The Job (A & B)                                 | “Let’s Make a Deal”  
                                                                                                                                    |                                                                                                                                      |
|         | Assessment Tool                            | - Beginning process of identifying personal style                              |                                                 | “Anchoring and First Offers in Negotiations”  
                                                                                                                                    |                                                                                                                                      |
|         | BATNA / Zone of Agreement                  | - Performing necessary financial calculations                                  |                                                 | “Bargaining Styles Assessment Tool”  
                                                                                                                                    |                                                                                                                                      |
|         |                                            | - Determining how to isolate relevant information                             |                                                 |                                                                                                                                          |
| 3       | Representing the Interests of Others       | - Defining priorities                                                         | Divorce (A & B)                                 | “Bargaining Through, With and Between Agents”  
                                                                                                                                    |                                                                                                                                      |
|         |                                            | - Establishing goals                                                          | The Surrogate (A & B)                           | “Negotiator Cognition”  
                                                                                                                                    |                                                                                                                                      |
|         |                                            | - Managing conflicting ambitions                                               |                                                 | “Arafat Had Good Reason to Smile”  
                                                                                                                                    |                                                                                                                                      |
|         |                                            | - Experimenting with time as an asset and/or liability                        |                                                 |                                                                                                                                          |
| 4 | Negotiating as a Team | - Finding opportunities to gain strength through anchoring  
- Assessing/valuing intangibles | Ad Agency (A & B)  
The Nordstrom Family and the Board (A & B) | Getting to Yes (excerpts A)  
“Marketing Negotiations in France, Germany, the United Kingdom and the United States” |
|---|---|---|---|---|
| 5 | Negotiating through Culture Clashes | - Acquiring experience addressing intercultural challenges such as cultural assumptions, gestures, norms and so on in a negotiation setting  
- Controlling body language for intended effects  
- Respecting differences | YNOT TV in Turkey (A & B)  
Citibank in India (A & B) | “Nonverbal Behavior”  
“Market Orientation, Managerial Perceptions and Corporate Culture in an Emerging Market: Evidence from Turkey”  
“Body Language: A Minefield for International Business People”  
“Sales and Negotiations within Marketing Channels”  
“Culture Clash” |
| 6 | Negotiating Dilemmas and Economics | - Learning to formulate proper negotiations strategies (vs. ad hoc influencing tactics) that can be successful in international business dealings  
- Demonstrating how strong communication can help “sell” ideas  
- Emphasizing proper reliance on financial data and analysis of other tangible and intangible variables | The Deal (A & B)  
I Want a House (A & B) | “The Problem of Cooperation”  
Bargaining for Advantage (excerpts A)  
“Cultural Intelligence” |
| 7 | Creating and Distributing Value | - Ascertaining how different cultural variables and contexts can influence business decisions and negotiations and their effectiveness or success  
- Assessing the nuances in negotiating between and among partners from developed, developing and/or emerging countries | KEYZ: An Opportunity in China (A & B)  
American Express & the Merchant (A & B) | Bargaining for Advantage (excerpts B)  
“The Chinese Approach to International Business Negotiation”  
“Winning in the West” |
| 8 | Diplomacy, Tact and Respecting Culture | - Addressing legal and ethical challenges  
- Supporting organizational culture  
- Mediating between organizational culture and local culture conflicts  
- Distinguishing styles when negotiating with business partners vs. NGOs, government offices around the world and so on | Shell in Serbia (A & B)  
What It’s Like to Be Junior (A, B & C) | Getting to Yes (excerpt B)  
“Relationship Between Negotiators: A Neglected Topic in the Study of Negotiation”  
“A Minuet with Moscow, Then a Yes in Belgrade” |
| 9 | Roles for Third Parties | - Contemplating cultural nuances  
- Using differences in international financial regulations as part of negotiations conversation  
- Anticipating cross-cultural challenges that can arise during negotiations process  
- Investigating role of third parties, particularly in diffusing tensions and mediating international issues | Numbers in the UK & Japan (A, B & C)  
Owning Up to a Mistake (A & B) | “When and How to Use Third-Party Help”  
“How to Negotiate with the Japanese”  
“The Hidden Messages Managers Send”  
“Negotiations between Auditors and their Clients Regarding Adjustments to the Financial Statements” |
| 10 | Communication and Avoiding Cultural Misunderstanding | - Marketing ideas and reputation in differing cultural settings  
- Working with non-business counterparts  
- Determining effective ways of navigating laws, ethics and practicalities when confronting international challenges | Ball Packaging (Europe) (A & B)  
Telecomm (A, B, C, D & E) | Difficult Conversations (excerpts)  
“The Six Most Difficult Problems Faced by Global Negotiators”  
“Power of Talk: Who Gets Heard and Why”  
“Searching for Generalizations in Business Marketing Negotiations” |
|---|---|---|---|
| 11 | Truth-Telling | - Distinguishing between one-off and iterative negotiations  
- Examining role of “truth” across cultures  
- Inducing behavioral change through intentional strategic communication | BP Oil Enters Iran (A & B)  
Ford Motor in Russia (A & B) | “Truthfulness, Deceit and Trust, What’s Fair”  
“Negotiating with Liars”  
“Culture and Business Networks: International Business Negotiations with Arab Managers”  
“Emotions in Negotiations: Peril or Promise”  
“Getting to Yes with Iran” |
| 12 | Roles for Emotions | - Identifying how emotions can trigger actions (even apart from facts)  
- Learning techniques for controlling display of emotions | Proctor & Gamble in Asia (A & B)  
The Foreign Assignment in Mexico (A & B) | “Selling Ideas: How Woo Works”  
“The Use of Non-Verbals in Negotiations”  
Beyond Winning (excerpts)  
Emotional Intelligence (excerpts)  
12 Angry Men (clip) |
| 13 | Complex Negotiations | - Building alliances  
- Managing secrecy and transparency  
- Using timing as an advantage  
- Examining adversarial and collaborative bargaining techniques | The Jury (A, B, C, D, E & F)  
Influencing Decisions through the United Nations (Brazil, Germany, Japan, Nigeria, Spain, US) | “Get Things Done Through Coalitions”  
“The Challenges of Deal-Making”  
“Finding Common Ground in International Negotiation” |
| 14 | Wrap Up | - Identifying key takeaways  
- Comparing conclusions with expectations from the first meeting | | |