Negotiations Prof. Christopher Balding cbalding@phbs.pku.edu.cn Office #744 Courses.Baldingsworld.com

Class: Monday and Thursday at 1:30-3:20
April 27, May 3, 4, 8, 11, 15, 18, 22, 24, 25, June 1, 5, 8, 12, 15, 19, 22, 26
WE WILL BE RESCHEDULING SOME CLASS SESSIONS TO MEET FOR LONGER PERIODS ONCE A WEEK. STUDENTS WILL BE EXPECTED TO KNOW ABOUT THE RESCHEDULING AND ATTENDENCE WILL BE TAKEN. SCHEDULING AND MATERIAL SHOULD NOT BE CONSIDERED FINAL Teaching Assistant: TBD

Course Objectives:

- 1. Gain a better understanding of the theory and strategy of negotiations.
- 2. Gain practical experience in negotiations across a range of typical real world negotiation the student will encounter in their professional career.
- 3. Improve analytical skills in subjects that enable the skilled negotiator to build consensus including psychology, organizational behavior, and game theory.

Expectations of the Student:

- 1. Come to class COMPLETELY prepared. This means having completed and studied all readings, being prepared to discuss the readings, ask questions, of presenters, and answer questions when called upon.
- 2. All work must be turned in on time. Any assignments turned in late will receive an automatic zero. There will be no extensions granted. If you know you will be absent then arrange to turn the assignment in early.
- 3. Students must be prepared to participate fully in class. While there will be significant out of class preparation and assignments, a major portion of the class will be in class participation that will require significant effort. Students will not receive a good mark if they do not work hard during class.

Class Readings:

Students are expected to have completed the reading, prepared questions, and be ready to engage in discussion about the material *before* attending class.

The class readings will focus on different aspects and skills that will improve the student negotiating skills. The readings cover a variety of topics including game theory, gender differences, psychology, cross cultural studies, and organizational behavior.

There are many skills that are required of a good negotiator and the readings will provide a foundation to students in a variety of these distinct disciplines or subject areas.

The two main readings are seminal books in negotiations:

Getting to Yes: Negotiating and Agreement Without Giving In by Roger Fisher, William Ury, and Bruce Patton

Thinking Strategically: The Competitive Edge in Business, Politics, and Everyday Life by Avinash Dixit and Barry Nalebuff

These books are widely available in hardbacks or electronic versions and can be ordered and read through a variety of outlets such as Kindle.

Additionally, other in class readings will be posted online as needed.

Class Presentations:

Every class will have a group presentation. Each group should have approximately 4 students which will be required to give a presentation of approximately 15 minutes. The presentation will count for 20% of your final grade.

The presentation must present a critical analysis of the text and not simply restate what was written. Everyone is coming to class having read the text, the student giving the presentation must be able to provide additional information or analysis in their presentation. Poor presentations will simply restate what the text states without providing critical analysis. The presentation must go above and beyond what is stated in the text to help fellow students how to better manage specific negotiation situations they might face in a simulation or the work place.

Students are encouraged to use computer resources such as PowerPoint, hand outs, or other materials in making their presentations.

Writing Assignments:

Students will have multiple short writing assignments of 2-5 pages each over the course of the class which will require them to write about a negotiation related topic..

The student must analyze the case study or situation provided by the professor and critically analyze the fundamental problem, strengths and weaknesses, and recommend a course of action and defend the recommendation made. In preparing the writing assignment, the student should seek to better understand a negotiating strategy, tactic, team, or person and how they can apply that analysis to becoming better negotiatiors.

Students must present a hard copy of the written assignment at the **beginning** of class. Students must also upload an electronic copy to the class website before the **beginning** of class.

Class Participation:

Class participation will count for 20% of your final grade. Class participation is very important and you are expected to arrive at class prepared to work through the foundational readings and case studies presented.

A primary point of the course is to give students experience in real world negotiation exercises. A significant portion of class time will be dedicated to engaging in negotiation simulations with students negotiating against other students, with teams, and observing other student negotiations to better learn how to actually negotiate.

Grading:

Writing Assignment #1: 20%
Presentation: 20%
Class Participation: 20%
Midterm 20%
Final 20%

Class Structure:

The first 20-30 minutes will consist of a general lecture about the theme of the class session and covering any basic information. During the first part of class, I will answer any basic questions about the reading assignment, broad themes, and language questions.

Next we will have a student presentation of approximately 10-20 minutes about theme for the week with approximately 10-15 minutes of questions and discussion on the readings. The presentation should work to help make themselves and other students better negotiators by preparing and educating on how to better handle specific weaknesses or strengths. The presenters should not simply restate the readings and assume that everyone is familiar with the reading.

We will then have a negotiation simulation and then conclude the class with approximately 20-30 minutes of case study discussion to be led by the professor analyzing the common elements of the case studies and answering any final questions.

Class Schedule and Reading:

Due to the need to schedule negotiation simulations, this course schedule should only be considered tentative. It should not be considered final and is subject to change so that the class cans schedule negotiation simulations which typically take longer than the current one hour and fifty minutes.

Also, additional class readings will be posted on the website. This class schedule should not be considered final and the student will be responsible for additional readings, projects, and assignments not listed below.

April 27: Class Introduction

May 3 & 4: Class introduction, scheduling, and a) What is Negotiations? And

b) Personality and Negotiations

ASSIGNMENT #1 GIVEN OUT IN CLASS

<u>Readings:</u> Thinking Strategically: Chapter 1 "Ten Tales of Strategy" and Case

Studies 1 & 2 from Chapter 13

Getting to Yes: Chapter 1 "Don't Bargain Over Positions"

Harvard Law School BATNA Basics

Negotiation Analysis: An Introduction Michael Wheeler online personality test at http://www.humanmetrics.com/cgi-

win/jtypes2.asp

Simulation: 6, 9, or 10

May 8 & 11: Hidden Barriers to Reaching Agreements Part I and II WRITING ASSIGNMENT #1 DUE AT THE BEGINNING OF CLASS ON MAY 8

Readings: Getting to Yes: Chapter 2 "Separate People From the Problem"

Thinking Strategically: Chapter 4 "Resolving the Prisoner's Dilemma", Chapter 12 "Incentives", and Case Studies 3 & 4 from

Chapter 13

Harvard Law School Negotiation Skills

Four Key Concepts: Your Starting Points Harvard Business School

Press

<u>Simulation:</u> 3, 8, 9, 14, 16, 18

May 15 & 18: Gender in Negotiations and What They Say and What They

Mean

Readings: Getting to Yes: Chapter 3 "Focus on Interests, Not Positions"

Thinking Strategically: Chapters 2 & 3 "Anticipating Your Rival's Response" and "Seeing Through Your Rivals Response" and Case

Studies 5 & 6 from Chapter 13

Harvard Law School Training Women to be Leaders and

Negotiation Strategies and Women

Leading Through Negotiation: Harnessing the Power of Gender

Stereotypes Laura Kray

3, 6, 10, 11, 18 Simulation:

May 22 & 24: **Cross Cultural Negotiations Part I and II**

Cases: Getting to Yes: Chapter 4 "Invent Options for Mutual Gain"

Thinking Strategically: Chapter 7 "Unpredictability" and Case

Studies 6 & 7 from Chapter 13

Harvard Law School: International Negotiations

The Hidden Challenge of Cross-Border Negotiations James

Sebenius

"Cross Cultural Project Management for International Construction in China", International Journal of Project Management, Low Sui

Pheng and Christopher Leong

Simulation: 1, 2, 5, 9, 13, 16, 19

May 25 & June 1: **Negotiating Conflict and Anger, Frustration, and**

Miscommunication

Getting to Yes: Chapter 5 "Insist on Using Objective Criteria" Readings:

Thinking Strategically: Chapters 6 and 8 "Credible Commitments"

and "Brinksmanship" Case Studies 8 & 9 from Chapter 13 Negotiation by Bazerman, Curhan, Moore, and Valley

Getting Past No: Don't React, Go to the Balcony

When to Walk Away From a Deal Geoffrey Cullinan, Jean-Marc Le

Roux, and Rolf-Magus Weddigen

Simulations: 4, 10, 13, 14, 16, 18

June 5 & 8: **Negotiating with Different Power Levels and Multi-Level**

Negotiating

Readings: Getting to Yes: Chapter 6 "What if They are More Powerful?"

Six Habits of Merely Effective Negotiators James Sebenius

Thinking Strategically: Chapter 5 "Strategic Moves" Harvard Law School: Team Building Strategies

<u>Simulations:</u> 1, 4, 7, 8, 11, 16, 17, 19

June 12 & 15: Negotiating in the Work Place

Readings: Getting to Yes: Chapter 7 "What if They Won't Play?"

Change the Way You Persuade Gary Williams and Robert Miller Thinking Strategically: Chapter 9 "Cooperation and Coordination"

Harvard Law School Negotiation Skills

Simulations: 3, 4, 6, 7, 11, 17

June 19 & 22: Simulation Exercise #1

Readings: Getting to Yes: Chapter 8 "What if They Use Dirty Tricks?"

The Chinese Negotiation John Graham and N. Mark Lam Thinking Strategically: Chapter 10 "The Strategy of Voting"

Harvard Law School: Deal Making

June 26: Simulation Exercise #2

Readings: Thinking Strategically: Chapter 11 "Bargaining"

Getting Past No: "Don't Push: Build a Golden Bridge" The Right Game: Use Game Theory to Shape Strategy Harvard Law School Business Negotiations Strategies

FINAL PAPER IS DUE AT THE BEGINNING OF CLASS