

**INTERNATIONAL MANAGEMENT INSTITUTE, BHUBANESWAR**  
**Post Graduate Diploma in Management (PGDM)**  
**Business Negotiation Skills**  
**CREDIT: Full (three credits)**  
**SESSION DURATION: 90 Minutes**

**TERM: IV**  
**YEAR: 2015-2017**  
**BATCH: II**

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**Course Introduction:** The growth of advanced technologies, movement to more horizontally managed organizations, and greater equality in relationships introduces increasingly more people into discussions about decisions that affect their lives. To be effective in this scenario, managers need to master the techniques of negotiation. A more complex and connected world requires people who can engage in dialogue and can fashion innovative solutions to seemingly unsolvable problems.

Negotiation is a complex behavioral skill. Some are naturally endowed with this skill, while others can learn it. This course will create a personalized learning situation where the students will get ample opportunities to practice the skills and learn intricacies of negotiation in business.

As the students prepare to step into the corporate world, they will be faced with multiple situations where negotiations will be critical to a successful outcome. It will be important for them to understand how negotiations play a role in business success. From pricing to business contracts to mergers & acquisitions, a well-orchestrated negotiation process can make or break the deal.

**Course Objectives:** Upon completion of this course, the students will be able to:

1. Understand the basic elements of conflict and negotiation
2. Distinguish between distributive and integrative negotiation
3. Highlight the role of communication in negotiations
4. List the qualities and skills of effective negotiators
5. Know about the barriers in effective negotiation and ways to remove those barriers
6. Gaining Leverage in Negotiation through Power and Persuasion
7. Manage Negotiation Impasse
8. Gain insight into their own negotiating style in order to become a more effective negotiator

**Course Pedagogy:** It will be a judicious mix of lectures, case analysis & discussion, article reviews, assignments & presentations by the students. During the course, each student is expected to maintain a journal describing his/her role experiences and reflecting on learning experiences as a

negotiator. Keeping a journal encourages reflection on—and analysis of—the learning-by-experience simulations of negotiation conducted in class. The comments of the students give a sense of his/her individual progress, as well as some insight into their strengths and weaknesses as a negotiator.

### **Course Readings:**

#### **Text book**

1. Lewicki, R. J., Saunders, D. M. & Barry, B. (2013). *Negotiation*, 5/e. New Delhi: McGraw Hill.

#### **Reference book(s)**

1. Barnes, G. P. (2008). *Successful Negotiating: Letting the Other Person have Your Way*. Mumbai: Jaico.
2. Carrell, M. R. & Heavrin, C. (2008). *Negotiating Essentials: Theory, Skills and Practices*. New Delhi: Pearson.
3. Cellich, C. & Jain, S.C. (2011). *Global Business Negotiations*. New Delhi: Cengage.
4. Fisher, R., Ury, W. & Patton, B. (1991). *Getting to Yes: Negotiating an Agreement without Giving in*, 2/e. New York: Penguin Books.
5. Flower, A. (1990). *Negotiation: Skills and Strategies*. Hyderabad: Universities Press.
6. Saunders, D. M., Barry, B. & Lewicki, R. J. (2008). *Negotiation: Readings, Exercises and Cases*, 6/e. McGraw Hill.
7. Spangle, M. L. & Isenhardt, M. W. (2013). *Negotiation: Communication for Diverse Settings*, 6/e. New Delhi: Sage.
8. Hames, D. S. (2012). *Negotiation: Closing Deals, Settling Disputes, and Making Team Decisions*, New Delhi: Sage.

#### **Course Evaluation criteria**

<b>Component</b>	<b>Weight</b>
Quiz	20%
Class Participation	10%
Journal	10%
Article Presentation	10%
Assignment	10%
End-term	40%
<b>Total</b>	<b>100%</b>

## Session Plan

Session No.	Topic	Learning Outcomes	Reading
1-5	<b>Negotiation Fundamentals</b> <ul style="list-style-type: none"> <li>➤ The nature of Negotiation</li> <li>➤ Conflict</li> <li>➤ Effective Conflict Management</li> <li>➤ Preparation: Building the Foundation for Negotiation</li> <li>➤ Strategy and Tactics of Distributive Bargaining</li> <li>➤ Strategy and Tactics of Integrative Bargaining</li> <li>➤ Closing Deals: Persuading the Other Party to Say Yes</li> </ul>	1, 2	<ul style="list-style-type: none"> <li>➤ Lewicki, Saunders &amp; Barry, Ch 1, 2, 3 &amp; 4</li> <li>➤ Carrell &amp; Heavrin, Ch 1, 2, 3 &amp; 4</li> <li>➤ Spangle &amp; Isenhardt, Ch 1, 4.</li> </ul> <b>Exercise</b> <ul style="list-style-type: none"> <li>➤ Knight Engines - Excalibur Engine parts</li> <li>➤ The Pakistani Prunes</li> </ul> <b>Article</b> <ul style="list-style-type: none"> <li>➤ Malhotra, D. &amp; Bazerman, M. H. (2007). Investigative Negotiation. <i>Harvard Business Review</i>, September, 72-78.</li> </ul>
6-7	<b>Communication: The Heart of All Negotiations</b>	3	<ul style="list-style-type: none"> <li>➤ Lewicki, Saunders &amp; Barry, Ch 6</li> <li>➤ Hames, Ch, 6</li> </ul> <b>Article</b> <ul style="list-style-type: none"> <li>➤ Malhotra, D. (2015). Control the Negotiation Before it Begins. <i>Harvard Business Review</i>, December, 66-72.</li> </ul> <b>Case</b> <ul style="list-style-type: none"> <li>➤ The X-Caliber Project Case (Two Role). To be distributed in class</li> </ul>
8-9	<b>Qualities and Skills of Effective Negotiators</b> <ul style="list-style-type: none"> <li>➤ Preparation and Good Questioning</li> <li>➤ Managing Emotions</li> <li>➤ Building Relationships</li> <li>➤ Creativity</li> </ul>	4	<ul style="list-style-type: none"> <li>➤ Spangle &amp; Isenhardt, Ch 5</li> </ul> <b>Article</b> <ul style="list-style-type: none"> <li>➤ Leary, K., Pillemer, J. &amp; Wheeler, M. (2013). Negotiating with Emotion. <i>Harvard Business Review</i>, Jan-Feb, 96-103.</li> </ul>
10-12	<b>Barriers to Effective Negotiation</b> <ul style="list-style-type: none"> <li>➤ Perceptual Distortions</li> <li>➤ Cognitive Biases</li> <li>➤ Communication and Listening Barriers</li> <li>➤ Managing Misperceptions and</li> </ul>	5	<ul style="list-style-type: none"> <li>➤ Lewicki, Saunders &amp; Barry, Ch 5 &amp; 6</li> </ul> <b>Article</b> <ul style="list-style-type: none"> <li>➤ Sebenius, J. K. (2001). Six Habits of Merely Effective Negotiators. <i>Harvard Business</i></li> </ul>

	<p>Cognitive Biases</p> <ul style="list-style-type: none"> <li>➤ Improving Communication in Negotiation</li> </ul>		<p>Review, April, 87-95.</p> <ul style="list-style-type: none"> <li>➤ Leslie, J. K. (2016). How to Negotiate with a Liar. <i>Harvard Business Review</i>, Jul/Aug, 114-117.</li> </ul>
13-15	<p><b>Gaining Leverage in Negotiation through Power and Persuasion</b></p> <ul style="list-style-type: none"> <li>➤ Leveraging Power from BATNA</li> <li>➤ Leveraging the Sources of Power</li> <li>➤ Leveraging Power through Influence</li> </ul>	6	<ul style="list-style-type: none"> <li>➤ Lewicki, Saunders &amp; Barry, Ch 7 &amp; 8</li> <li>➤ Carrell &amp; Heavrin, Ch 5</li> </ul> <p><b>Role Play</b></p> <ul style="list-style-type: none"> <li>➤ Salt Harbor (Two Roles). <i>Harvard Business School</i> #800077, #800078</li> </ul> <p><b>Article</b></p> <ul style="list-style-type: none"> <li>➤ Sussman, L. (1999). How to Frame a Message: The Art of Persuasion and Negotiation. <i>Business Horizons</i>, July-August, 2-6.</li> </ul>
16-17	<p><b>Managing Negotiation Impasses</b></p> <ul style="list-style-type: none"> <li>➤ The Nature of “Difficult-to-Resolve” Negotiations and Why they Occur</li> <li>➤ Fundamental Mistakes that Cause Impasses</li> <li>➤ Resolving Impasses</li> <li>➤ Alternate Dispute Resolution (ADR)</li> </ul>	7	<ul style="list-style-type: none"> <li>➤ Lewicki, Saunders &amp; Barry, Ch 17 &amp; 19</li> <li>➤ Carrell &amp; Heavrin, Ch 7</li> <li>➤ Spangle &amp; Isenhardt, Ch 6</li> </ul> <p><b>Article</b></p> <ul style="list-style-type: none"> <li>➤ Cullinan, G., Le Roux, J. &amp; Weddigen, R. (2004). When to Walk Away from a Deal. <i>Harvard Business Review</i>, April, 96-104.</li> </ul>
18-20	<p><b>Special Issues in Negotiation</b></p> <ul style="list-style-type: none"> <li>➤ Gender and Negotiation</li> <li>➤ Personality and Negotiation</li> <li>➤ Negotiation Across Cultures</li> <li>➤ Ethics in Negotiation</li> <li>➤ Negotiating a Job Offer</li> </ul>	8	<ul style="list-style-type: none"> <li>➤ Lewicki, Saunders &amp; Barry, Ch 9, 14, 15 &amp; 16</li> <li>➤ Carrell &amp; Heavrin, Ch 8 &amp; 9</li> </ul> <p><b>Exercise</b></p> <ul style="list-style-type: none"> <li>➤ Employee Exit Interview</li> </ul> <p><b>Article</b></p> <ul style="list-style-type: none"> <li>➤ Graham, J. L. &amp; Mark Lam, N. (2003). The Chinese Negotiation. <i>Harvard Business Review</i>, October, 82-91.</li> <li>➤ Babcock, L., Laschever, S., Gelfand, M. &amp; Small, D. (2003). Nice Girls Don’t Ask. <i>Harvard Business Review</i>, October, 14-16.</li> <li>➤ Malhotra, D (2014). 15 Rules for Negotiating a Job O</li> </ul>

			<p>ffer. <i>Harvard Business Review</i>, April, 117-120.</p> <p>➤ Meyer, E (2015). Getting to Sí, Ja, Oui, Hai, and Da. <i>Harvard Business Review</i>, December, 74-80.</p> <p><b>Case</b></p> <p>➤ Luna Pen (A, B, C, D) <i>Harvard Business School</i> #396156, #396157, #9898233, #9396395</p> <p>➤ Name Your Price: Compensation Negotiation at Whole Health Management (A, B, C) <i>Harvard Business School</i> #908064, 908065, #908066</p>
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