

**COURSE DATA****Data Subject**

Code	35924
Name	International negotiation
Cycle	Grade
ECTS Credits	6.0
Academic year	2019 - 2020

Study (s)

Degree	Center	Acad. year	Period
1314 - Degree in International Business	Faculty of Economics	4	Second term

Subject-matter

Degree	Subject-matter	Character
1314 - Degree in International Business	33 - International negotiation	Optional

Coordination

Name	Department
SAORIN IBORRA, MARIA DEL CARMEN	105 - Business Administration 'Juan José Renau Piqueras'

SUMMARY

Whether you are selling a product or service, attracting an investor, dealing with a supplier or government agency, or resolving a dispute with partners, you are usually negotiating. Moreover, those around you (your stakeholders as well as competitors) are also negotiating. It is crucial in business, especially international business, to make sense of these negotiations and conduct them effectively.

The explosion of international business activities has had a marked impact on our lifestyles, income and on the economic environment in general. Companies are forced to seek international trade and investment opportunities in distant markets. Doing business overseas is, however, still considered to be a difficult task. Often we hear stories about unsuccessful encounters between business executives from different cultures mainly because they are not able to communicate and negotiate effectively with each other.

Treating negotiations as a technique that can be learned and adapted to international business relations, this course deals with three main inter-related themes:



- * Conflict resolution
- * The cross-cultural communication and management of cultural differences in international business deals
- * Business negotiation skills and tactics

PREVIOUS KNOWLEDGE

Relationship to other subjects of the same degree

There are no specified enrollment restrictions with other subjects of the curriculum.

Other requirements

Not required

OUTCOMES

1314 - Degree in International Business

- Develop the capacity to evaluate and critically analyse international economic phenomena and agents.
- Develop intercultural sensitivity and the ability to adapt to other geopolitical contexts.
- Understand and reflect on socio-economic and political contexts that affect business and economic decision-making in an international environment.
- Understand the structure and functioning of companies and organisations operating in an international context.
- Develop an ethical attitude in business, respecting human rights and the environment both in the country of origin of the company and in the different markets in which it operates.
- Manage relations between the parent companies of multinationals and their subsidiaries.
- Understand the behaviour of economic agents and their interaction in global markets.
- Be able to generate ideas and detect business opportunities in international markets.
- Develop the capacity to prepare and defend reports that contribute to the decision-making of public and private agents.
- Aprender a detectar las desigualdades entre personas para diseñar, implementar y evaluar las políticas pertinentes que faciliten la eliminación de dicha discriminación en empresas e instituciones.



LEARNING OUTCOMES

In accordance with the degree in IB, described learning outcomes for the subject of International Negotiation are several:

- Development of international negotiation skills. Being able to generate win-win outcomes
- Identify the roles and objectives of the various actors in the negotiation process
- Understand the goals of a negotiation process
- Understand how national culture, corporate culture and personality of individuals influence the negotiations
- Develop a creative attitude in the conflict resolution
- Use the skills to negotiate as a team

DESCRIPTION OF CONTENTS

1. Conflict Resolution in International Business

- 1.1.- Conflict Resolution. Strategy Decision.
- 1.2.- International Negotiation. Definition and features.

2. Key elements in the International Negotiation Process

- 2.1.- Background factors.
- 2.2.- Atmosphere.
- 2.3.- Process: stages and dimensions.
- 2.4.- Other negotiation models.

3. Strategies, styles, behavior and tactics of negotiation in different countries

- 3.1.- Concept of negotiation strategy, style, behavior and tactics.
- 3.2.- Integrative Strategy vs. Distributive Strategy. Intermediate behaviors.
- 3.3.- Impact of the negotiation strategy on outcomes.
- 3.4.- Typology of negotiation tactics.
- 3.5.- Negotiation styles in different geographical areas.
- 3.6.- Ethical aspects in international business.

4. Intercultural Differences Management in international Negotiations

- 4.1.- Concept of culture and sources of cultural differences.
- 4.2.- Barriers to a successful intercultural communication.
- 4.3.- Dimensions of the national culture.
- 4.4.- Dimensions of the organizational culture.
- 4.5.- Strategy to manage the intercultural negotiations.

**5. Negotiation Process in International Strategies I**

- 5.1.- Typology of licenses.
- 5.2.- Key aspects in the international license negotiations. Content, process and outcome.
- 5.3.- Impact of the negotiation outcome over the implementation of the licenses.

6. Negotiation Process in International Strategies II

- 6.1.- Typology of Joint ventures (jvs).
- 6.2.- Key aspects in the joint venture negotiations. Content, process and outcome.
- 6.3.- Impact of the negotiation outcome over the implementation of the international joint ventures.

7. Negotiation Process in International Strategies III

- 7.1.- Typology of mergers and acquisitions (M&As).
- 7.2.- Key aspects in the M&A negotiations. Content, process and outcome.
- 7.3.- Impact of the negotiation outcome over the implementation of the international M&As.

WORKLOAD

ACTIVITY	Hours	% To be attended
Theory classes	30,00	100
Classroom practices	30,00	100
Development of group work	16,67	0
Development of individual work	16,67	0
Study and independent work	40,00	0
Readings supplementary material	16,66	0
TOTAL	150,00	

TEACHING METHODOLOGY

In the teaching-learning process of International Negotiation different teaching methods will be used. On the one hand, we use expository teaching methods in the case of the lectures, although in addition other methods will be used (didactic forms of participation) seeking the involvement of students in the teaching-learning process. This second type of methods favors interaction between teacher and student and between the students themselves, and is suitable for generic skills development. The methodology is as follows:



- *Lectures:* we will use mainly the lecture to present the contents of the subject. Moreover, as students will have a more active role in the teaching-learning process and should be empowering in that process, for each topic (unit) they will have a guiding scheme that allows them, through a literature search, the construction of their own study materials. The aim is to develop the following generic skills: analysis and synthesis of information, critical ability, and the ability to learn and work independently.
- *Practical classes:* they allow implement the knowledge acquired in lectures and demonstrate the ability to work in groups and communication and negotiation skills both interpersonal and intergroup. In addition, these sessions are intended to help to improve the ability to organize and plan the work of the student. In particular we will use the case method teaching and other forms, such as the analysis and discussion of readings in class or role-play, using video recordings to simulate negotiations in order to receive feedback.

EVALUATION

Assessment is by examination and coursework. The examination accounts for 70% and the coursework for 30% of the overall assessment. The pass mark is 50 percent. It is required to get 5 points in the theoretical exam to pass the subject.

The coursework consist of two parts (details will be discussed in the first lecture):

- Three case studies on conflict resolution or negotiations (report) (10%). This part is the only one with retrievable character.
- Role-play 1 (Bilateral) plus a report (10%)
- Role-play 2 (Teams) plus a report (10%)

You will be required to complete and hand in all the reports according to the established deadlines. Failure to meet the deadlines, unless justified on grounds of medical illness or other exceptional circumstances, will result in a mark of zero.

All papers should have a cover page. All papers will be evaluated according to 3 main criteria:

- Information Quality
- Persuasiveness (Analysis)
- Presentation



REFERENCES

Basic

- Ghauri, P.N. & Usunier, J.C., International Business Negotiations, Pergamon Press: London, 2nd Edition, 2003.

Additional

- Conflict Management and / or Negotiation:
 - *Fisher, R. & Ury, W., (1999), Getting to Yes. Negotiating Agreements without Giving In, 2nd edition, Random House, London.
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 - *Lax, D.A & Sebenius, J.K. (1986): The manager as negotiator: Bargaining for cooperation and competitive gain. Ed. Free Press, New York.
 - *Llamazares García-Lomas, O. & Nieto Churrua, A. (2002): Negociación Internacional. Estrategias y Casos. Ed. Pirámide, Madrid.
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 - *Saorín-Iborra, M.C. (2008), Negotiation behaviour .Dichotomy or continuum?, Esic-Market, 129: 117-173.
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 - *Weiss, S.E. (1993), Analysis of Complex Negotiations in International Business: The RBC Perspective, Organization Science, 4(2): 269-300.
- -Cultural Differences:
 - *Fan, Y., (2002), Questioning Guanxi: Definition, Classification and Implications, International Business Review, 11 (5): pp. 543-562.
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 - *Weiss, S.E. (1994), Negotiation with romans-Part II, Sloan Management Review, spring: 85-99.



- -Strategic Alliances:

*De Mattos, C., Sanderson S., Ghauri, P. (2002), Negotiating alliances in emerging markets-Do partners' contributions matter? Thunderbird International Business Review, 44(6):701-728.

*Fay, C.F., and Beamish, P.W., (2000), Joint Venture Conflict: The Case of Russian International Joint Ventures, International Business Review, 9 (2): pp. 139-162.

*Saorín-Iborra, M.C.; Redondo-Cano, A. y Revuelto Taboada, L. (2013), How BATNAs perception influences JVs negotiations, Management Decision, 51 (1-2): 419-433.

*Weiss, S.E. (1987), Creating the GM-Toyota Joint Venture: A case in complex Negotiation, Columbia Journal of World Business, summer: 23-37.

- -Mergers & Acquisitions:

*Fang, T; Fridh, C. & Schultzberg, S. (2004), Why did the Telia-Telenor merger fail?, International Business Review, 13(5): 573-594.

*Saorín-Iborra, M.C. (2008), Time pressure in acquisition negotiations: Its determinants and effects on parties' negotiation behaviour choice, International Business Review, 17(3): 285-309.

*Saorín, M.C. e Iborra, M. (2008), El comportamiento negociador en las adquisiciones no hostiles ¿Ser competitivo o integrativo?, Universia Business Review, 18: 104-121.

*Sebenius, J.K. (1998), Negotiating cross-border acquisitions, Sloan Management Review, 39 (2): 27-41.

ADDENDUM COVID-19

This addendum will only be activated if the health situation requires so and with the prior agreement of the Governing Council

1. Contents

The contents initially included in the academic guide are maintained.

2. Workload

Although the total volume of work in the subject is maintained, the last practical activity initially scheduled in the academic guide has been modified. Specifically, given the impossibility of doing a role play (negotiation) in groups of around 8 people because they are in different countries and the difficulty of recording a video of all of them, in this activity only they have to do the analysis of the pre -negotiation phase of one of the cases planned to be carried out through role play. The preparation of the report becomes an individual activity when it initially had to be a group one. And to compensate for this change, two more practical activities have been added in the continuous evaluation consisting of 1) the answer to a questionnaire focused on the theory content of the first unit explained online and 2) the preparation of a power point recorded focused on an academic paper on the negotiating process of one of the strategies studied in the last three theoretical units also explained online.



The objective of the questionnaire focused on the content of unit 4 is twofold. Firstly, to check the students' understanding of the content explained online, and secondly, to familiarize them with the tool from aula virtual to do a test like in the final theoretical exam.

The objective of preparing the recorded power point is to improve the understanding of the content of units 5, 6 and 7, as well as to carry out an activity focused on developing both the analytical and the expository competences and thus compensate for the elimination of last role play.

Regarding teaching planning, indicate that as a result of a decision agreed with the students, the sessions, although they were held in the same weeks initially planned, were not at the same time as in the face to face sessions. In this way the students have been allowed more freedom to organize during each week.

3. Teaching methodology

The face-to-face classes have been replaced by the sending of emails explaining the tasks to be carried out each week (planning of the weekly workload), documents with instructions to follow to correctly solve the different practical activities and the sending of power points recorded with the theoretical explanations of the planned theoretical contents. In addition, bibliography is provided to prepare the theoretical units.

The initially planned practical activity consisting of a bilateral role play (negotiation) was carried out by almost all of the students prior to confinement, but 8 students remained pending this activity. Therefore, Skype was used to record the negotiations in pairs of those 8 students on the date agreed with them. The report that the students had to prepare was sent before the online meeting.

The feedback of the practical activities is done individually by sending the checked practices and a recorded power point is sent with the explanation of the correct answers. After sending this power point, students can individually contact me by e-mail or request a video call on Skype to answer their individual questions.

They are constantly informed of the marks obtained in each practical activity.

The tutorials are still carried out virtually, but in this case all the tutorials. E.mail is checked every day of the week (Monday to Friday).

4. Evaluation

The evaluation system has been adapted, giving more weight to continuous evaluation with respect to what was initially established. Thus, continuous assessment goes from representing 30% of the overall assessment to 50%. On the other hand, the theoretical evaluation of contents comes to represent from 70% to 50%. The requirement to obtain a minimum in the final theoretical test continues to be maintained in order to add the continuous evaluation. In this case, it is required to obtain at least 4 points out of 10 in that final test. Before it was required to obtain 5 points.



In the continuous evaluation, two activities have been added and one of the initially planned (role play in teams) has been replaced by an activity of analysis of the pre-negotiation phase of one of the intercultural cases that had to be prepared as a role play, as previously indicated.

The final theoretical online test will consist of an objective test (test type) in the aula virtual. It is a tool with which the student will be familiar because previously they will have carried out a practical activity using this technique.

5. References

In this course it has not been necessary to replace the recommended bibliography because it is fully available online. Therefore, the recommended bibliography, from the beginning in the academic guide, has been maintained.