

Name:

Enrolment No:



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**

**End Semester Examination, December 2018**

**Course: Negotiation Skills**

**Semester: V**

**Programme: BBA(FAS) and BBA(OG)**

**Course Code: BBCG103**

**Time: 03 hrs.**

**Max. Marks: 100**

**SECTION A**

**(Attempt all questions)**

S. No.		Marks	CO
<b>Q 1</b>	<b>Fill in the blanks</b>	<b>11</b>	
i)	Which method requires conflicting parties to confront the cause of conflict in search of a win- win solution. .... a) Compromising b) Collaborating c) Competing d) Accommodating		<b>CO1</b>
ii)	Which term refers to someone who is assertive and uncooperative conflict handling intentions? a) Compromising b) Collaborating c) Competing d) Accommodating		<b>CO1</b>
iii)	What does negotiators from high risk-avoidance countries seek as against negotiator from low risk-avoidance countries? a) Specific commitment in terms of value, timing and requirement b) Clearly defined structure and guidance c) None of these		<b>CO4</b>

	d) Both of these		
iv)	<p>What tactic should be kept in mind during international negotiation process</p> <p>a) Research background of your counterpart</p> <p>b) Enlist an expert from your counterparts culture</p> <p>c) Research your counterparts experience</p> <p>d) All of these</p>		<b>CO4</b>
v)	<p>You plan to enter into a negotiation and realize that if you gain \$100, the other party will lose \$100. What Game Theory term describes this type of dispute?</p> <p>a) Positive sum</p> <p>b) Negative sum</p> <p>c) Zero sum</p> <p>d) None of these answers</p>		<b>CO3</b>
vi)	<p>You wish to purchase an item at an antiques store. You see an item you would like to buy, but you do not want to pay more than \$20. You offer \$10, and the proprietor says he will sell the item for \$30. You then offer \$20, and the proprietor says he will sell the item for \$25. You agree to purchase the item at \$25. You have paid \$5 more than you wanted, and the proprietor receives \$5 less than he wanted. What type of bargaining is this?</p> <p>a) Positional</p> <p>b) Integrative</p> <p>c) Win-win</p> <p>d) Accommodating</p>		<b>CO3</b>
vii)	<p>You plan to buy a used car and want to purchase it for the least possible cost. You realize the seller will try to get the most money that he can for the car. Which of the following best describes this type of bargaining?</p> <p>a) Expanded pie</p> <p>b) Integrative</p> <p>c) Distributive</p> <p>d) Win-win</p>		<b>CO3</b>
viii)	The view ..... states that all conflicts should be avoided.		<b>CO1</b>

	<ul style="list-style-type: none"> <li>a) Human relations</li> <li>b) Traditional</li> <li>c) Interactionist</li> <li>d) Peace</li> </ul>		
ix)	<p>In third-party negotiations, a third party with the authority to dictate an agreement is known as a(n):</p> <ul style="list-style-type: none"> <li>a) arbitrator.</li> <li>b) conciliator.</li> <li>c) consultant.</li> <li>d) mediator</li> </ul>		<b>CO3</b>
x)	<p>Bogey is a strategy related to .....</p> <ul style="list-style-type: none"> <li>a) Integrative negotiation</li> <li>b) Rapport building</li> <li>c) Creative problem solving</li> <li>d) Hardball tactic</li> </ul>		<b>CO3</b>
xi	<p>According to Hofstede countries low on Masculinity have this characteristic:</p> <ul style="list-style-type: none"> <li>a) Money and achievement are important.</li> <li>b) Conservative</li> <li>c) More controlled and rigid behavior.</li> <li>d) More focus on quality of life.</li> </ul>		<b>CO4</b>
<b>Q 2</b>	<b>Write a short note on following terms:</b>	<b>9</b>	<b>CO3</b>
A	“Ticking the clock”		
B	“Escalation of commitment”		
C	“Nibble”		
<b>SECTION B</b>			
<b>(Attempt any four question)</b>		<b>20</b>	
Q 3	What is BATNA? How BATNA can be an important tool for improving your position in negotiation process?		<b>CO3</b>
Q4	Discuss the cognitive biases that can prevent negotiator from making good decisions.		<b>CO2</b>


Q5	If the party other side negotiation table bombards you with hardball tactics, how you are going to handle them.		<b>CO2</b>
Q6	Why closing deals is an important part of the negotiation process? Also, list various closing tactics.		<b>CO3</b>
Q7	Write a short note on anchoring and framing with suitable example.		<b>CO3</b>
<b>SECTION-C</b>			
	<b>(Attempt any three questions)</b>	<b>30</b>	
Q 8	How we prepare for integrative negotiation? Discuss the tactics for effective integrative negotiation		<b>CO3</b>
Q 9	When mediation as a third party negotiation is most appropriate and effective? Explain how mediation process works.		<b>CO3</b>
Q10	What are the interactionist views on conflict? Illustrate with example when to use various conflict resolution strategies.		<b>CO1</b>
Q 11	Discuss areas of cultural differences that you need to focus before going for international negotiation. Analyze Hofstede's cultural dimension in context of India.		<b>CO4</b>
<b>SECTION-D</b>			
<b>(Attempt all questions)</b>			
Q12	Andre is looking for a plot of land upon which to build a house and not far from where he lives presently, in a small fishing village on a Greek island. A half-hectare plot has been for sale for nearly three years. The owner, a former resident on the island, had used two local real estate agencies in succession without concluding a sale. Last week another, different, real estate agency erected a 'for-sale' board on the site and Andre checked the sale particulars on the Internet. The asking price is \$250 000, which was \$20 000 above the price asked for the plot on the owner's previous attempts to sell it. Interestingly, the owner had not dropped his price despite his failure to sell. Andre enquired about the plot at the mayor's office in Zante, the island's only town, 18 kilometres away, seeking details of any planning restrictions affecting the site and what was expected from any building or buildings erected there. He was assured there were no planning restrictions on what could be built on it. He contacted the selling agent, Ms Voutos, who claimed there had already been many enquiries from people	<b>30</b>	<b>CO3</b>

living on the island and from Athens, where Giorgo Krimpas, the owner, lived. She also said that Giorgo was determined to get his price of \$250 000, that he was in no hurry to sell, and that he insisted that all negotiations were to be conducted through herself. Andre thought the owner might be in a strong bargaining position by demonstrating his firmness on price and by recently increasing the price to \$250 000. Leaving everything to his agent, Ms Voutos, her commission presumably rested on her getting Giorgo his price in view of the alleged interest in the site. Andre's problem boiled down to where to open his negotiations. Should he offer the asking price? If not, should he go over it? How far should he go under it? If either, which price should he offer? He had insufficient finance in place to pay close to the asking price for the land, given that, in addition to the land price, he had to finance the clearing of the land of bush and overgrowth, much of it a disused and neglected old olive grove, plus the accumulated rubbish dumped on it over the years. Then he had to undertake landscaping on the sloping ground and build a boundary fence, pay the architect's fees, install all the electricity, water and sewage utilities, and construct a 500-metre private access road. Lastly, he had to finance the construction of his house, plus a swimming pool. Andre did not like dealing with agents; he preferred direct negotiations between principals. He did not like Giorgo's aggressive price tactics of increasing his price to \$250 000 when he couldn't sell the land for three years at \$230 000. In these circumstances, he was determined that he would not accept Giorgo's opening price. If a commercial developer took an interest in the site, which was large enough to build three or four houses for holiday lets during the summer season, this could create problems for Andre's ambitions.

### **Questions**

- (i) In this transaction what are Giorgo and Andre's interests? According to you who is having strong bargaining position.
  
- (ii) How would you describe the distributed bargaining problem between Andre and Giorgo/Ms. Voutos?

<p>(iii) If Andre's entry price for the land is \$220 000 and his exit price is \$245 000, and Ms Voutos entry price is \$250 000 and her exit price is \$240 000, explain the concept of ZOPA.</p>		
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**End Semester Examination, December 2018**

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**Semester: V**

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**Course Code: HERS3002**

**Time: 03 hrs.**

**Max. Marks: 100**

**SECTION A**

**(Attempt all questions)**

S. No.		Marks	CO
<b>Q 1</b>	<b>Fill in the blanks</b>	<b>11</b>	
i)	According to game theory, what outcome will result when one disputant perceives that \$10 is a loss while the other disputant perceives the same \$10 as a win? a) win-win outcome b) lose-lose outcome c) win-lose outcome d) Both answers B and C		<b>CO3</b>
ii)	“Reactive devaluation” is a 1. Hardball tactic 2. Cognitive bias 3. Rapport building technique 4. Integrative negotiation tactic		<b>CO3</b>
iii)	Your firm has a union labor contract that you are trying to renegotiate. Members of the union have threatened to strike if a new contract is not agreed to within a stated timeframe. What is an alternative mechanism available to the parties to resolve this type of dispute?		<b>CO3</b>

	<ul style="list-style-type: none"> <li>a) Mediation</li> <li>b) Court</li> <li>c) Arbitration</li> <li>d) Negotiation</li> </ul>		
iv)	<p>When considering factors that influence cross-cultural negotiations, what term describes the acceptance of authority differences between people?</p> <ul style="list-style-type: none"> <li>a) Personal style</li> <li>b) Decision-making system</li> <li>c) View of time</li> <li>d) Power distance</li> </ul>		<b>CO4</b>
v)	<p>A third party is brought in to resolve a dispute between two parties in an organizational conflict. The parties agree to abide by the decision of the third party. This is known as:</p> <ul style="list-style-type: none"> <li>a) Mediation</li> <li>b) Arbitration</li> <li>c) Intergroup conflict resolution</li> <li>d) None of the above</li> </ul>		<b>CO3</b>
vi)	<p>Nibble is a strategy related to .....</p> <ul style="list-style-type: none"> <li>a) Integrative negotiation</li> <li>b) Rapport building</li> <li>c) Creative problem solving</li> <li>d) Hardball tactic</li> </ul>		<b>CO3</b>
vii)	<p>You wish to purchase an item at an antiques store. You see an item you would like to buy, but you do not want to pay more than \$20. You offer \$10, and the proprietor says he will sell the item for \$30. You then offer \$20, and the proprietor says he will sell the item for \$25. You agree to purchase the item at \$25. You have paid \$5 more than you wanted, and the proprietor receives \$5 less than he wanted. What type of bargaining is this?</p> <ul style="list-style-type: none"> <li>a) Positional</li> <li>b) Integrative</li> <li>c) Win-win</li> </ul>		<b>CO3</b>



	d) Accommodating		
viii)	You plan to enter into a negotiation and realize that if you gain \$100, the other party will lose \$100. What Game Theory term describes this type of dispute? a) Positive sum b) Negative sum c) Zero sum d) None of these answers		<b>CO3</b>
ix)	The _____ view suggests that conflict is a natural occurrence in all groups. a) interactionist b) human relations c) performance d) traditional		<b>CO1</b>
x)	_____ refers to the degree to which one party attempts to satisfy the other party's concerns. a) Assertiveness b) Cooperativeness c) Agreeableness d) Collaboration		<b>CO1</b>
xi)	According to Hofstede countries low on masculinity have this characteristic: a) Money and achievement are important. b) Conservative c) More controlled and rigid behavior. d) More focus on quality of life.		<b>CO4</b>
<b>Q 2</b>	<b>Write short note on following terms-</b>	<b>9</b>	
A	“Framing”		<b>CO3</b>
B	“Winner’s curse”		<b>CO3</b>
C	“Anchoring”		<b>CO3</b>
<b>SECTION B</b>			
	<b>(Attempt any four question)</b>	<b>20</b>	

Q 3	List and describe the four principles of negotiation given by Fisher and Ury.		<b>CO3</b>
Q4	Differentiate between Integrative and distributive negotiation.		<b>CO3</b>
Q5	Analyze Hofstede's cultural dimension in context of India.		<b>CO4</b>
Q6	Evaluate the benefits of mediation and conciliation in negotiation		<b>CO3</b>
Q7	Discuss some rapport building strategies of integrative negotiation.		<b>CO3</b>
<b>SECTION-C</b>			
	<b>(Attempt any three questions)</b>	<b>30</b>	
Q 8	Explain why preparation is key to a successful negotiation. Describe the important elements of the preparation process.		<b>CO3</b>
Q 9	Recognize various closing tactics, their respective benefits, and describe how to use them to close deals effectively.		<b>CO3</b>
Q10	Determine when it is appropriate to negotiate distributively. How can we negotiate effectively using this strategy?		<b>CO3</b>
Q 11	What are the various sources of conflict at workplace? Illustrate with example when to use various conflict resolution strategies.		<b>CO1</b>
<b>SECTION-D</b>			
<b>(Attempt all questions)</b>			
Q12	Sanchez Delgado is a bio-chemist who has developed a completely new industrial solvent. From a technical point of view the solvent is a long way ahead of anything else in production or under research by the major solvent manufacturers operating in this market, most of which appear to be merely refining their existing technologies. Delgado has completed the necessary laboratory trials of his new product and has achieved quite outstanding results in comparison to benchmark trials with existing commercial products. But Delgado does not have sufficient capital to turn his laboratory prototype into a commercial product. The usual sources of Funding funds have turned down Delgado because they have become risk averse having made major losses during the recession and through defaulting dot.com borrowers. He is now engaged in negotiations with the Nothing Ventured Fund who see the potential for the	<b>30</b>	<b>CO3</b>

new solvent despite the undoubted risks, and who are willing to advance the necessary funding (US\$75 million) but only if they can secure their investment against the profits from Delgado's other patented products. To this end, they have insisted that they hold a large share of the equity (at least 48 per cent) of Delgado's company. They have asserted that they are only interested in making a profit from their involvement by selling their shares at the appropriate time and have no long term plans to maintain their shareholding beyond five to ten years. However, the performance and financial conditions of their investment give them pre-emption rights to acquire all of Delgado's company should he default on his covenants to meet their targets. They also want a say in who Delgado appoints to run the solvent project, specifically in the recruitment of the Business Development and Marketing Vice-Presidents. Delgado plans to exploit his new solvent, possibly by licensing it to one of the major European producers of solvents with, perhaps, in-house production in Mexico and joint ventures with Chinese manufacturers. Delgado is considering the proposal to give Nothing Ventured Fund up to 40 per cent of his company's equity, because he is desperate to gain access to funding. He is convinced that once the new solvent is adopted as an international standard it will produce millions of dollars profit for all concerned. Mr Delgado has asked you, as a consultant negotiator, to assist in the negotiations to find a way to secure the funding and protect his and Nothing Ventured Fund's legitimate interests. He is also interested in any general advice you can give in forthcoming negotiations.

**Question**

- (i) What are Delgado's long-term interests?
- (ii) What kind of BATNA could Delgado develop to strengthen him in his negotiations?
- (iii) Who is in the weaker negotiating position and why?

