



DELHI SCHOOL OF BUSINESS

By Vivekananda Institute of Professional Studies - TC

Delhi School of Business

PGDM Program

END TERM EXAMINATION, February 2024

TERM – 2 (Batch: 2023-25)

Course Name	Negotiation Skills	Course Code	NS
Duration	2.5 hours	Max. Marks	60

Instructions:

1. Please write answers to each question in one place.
2. Please write legibly
3. All questions are compulsory

1. Suggest two mutually satisfactory (win-win) alternatives for each of the following situations? (6 marks) CO2

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- a) Shiv is sitting in a hostel dining room. He feels hot and turns on the fan. Rohit arrives. He has just taken a bath and turns off the fan.
Creative Options: (i) (ii)
 - b) Aarti and Mukul work on opposite sides of a large desk in the office room they share. The room is about to be painted. Aarti wants the colour blue, Mukul wants yellow.
Creative Options: (i) (ii)
 - c) The player captain of your Company's football team is now 37 and has been down with jaundice for the last three months. He has led the team to undefeated seasons for the last four years. The Company now feels that he does not have another good football year ahead of him and wants to cut his football bonus by 50%, The captain is resisting.
Creative Options: (i) (ii)

2. Explain 'anchoring' and "bracketing" in a distributive negotiation situation with suitable examples. (4 marks) CO1-2

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- a) How does Integrative Negotiation differ from Distributive Negotiation? (4 marks)
 - b) Explain the 5 steps in a Categorization Model of Negotiation with a suitable example (6 marks) CO2-3



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4. K-Company has been invited by Redcom Inc. to finalise a deal for supply of hardware for their new office complex coming up in NOIDA.

How many people should be part of the K-Company team and what should their roles be? (10 marks) CO3

5. Ajay Agnihotri manufactures premium curtain rods at his factory in Meerut. He has been negotiating with Kimberley Stringer of Minneapolis, USA and Miraki Hasegawa of Kyoto, Japan to be the supplier of rods for their respective stores.

In view of the environmental context of cross-cultural negotiation, discuss what Ajay should look out for to make the negotiation outcomes successful. (15 marks) CO4

6. Case: The Airport Authority of India

The Airport Authority of India (AAI) has been under considerable pressure from the State Government to increase capacity at Belgaum Airport. Originally built forty years ago as a small regional airport serving a population of 250 000, Belgaum's single runway is at full capacity for 15 hours of the day. The region's population has climbed to over 6 million and much of this growth in air travel is due to the rapid economic expansion of the region from industry and tourism. The options facing the AAI are not attractive. To increase capacity at Belgaum presents some serious engineering problems on the only available land to the north, over which a new runway must be built. The problems are due to local geology and some regular flooding from the river delta flowing nearby.

A residential population of about 1 million lives within an area of 15 kilometres to the north of the airport and they believe that their lives would be affected severely by a major new runway. Moreover, economic developments close to the airport crowd right up to the southern boundary, which is the only suitable means of access from Belgaum city for a wider road. The land close to the east and west boundaries contains mainly high-income residential properties, mixed with isolated green sites, containing rare natural plants, exotic birds and other small wildlife. The State Government recently designated some of these areas as 'National Heritage Sites'. The other option is to build a completely new airport at Bindeswar, at a distance of forty kilometres from Belgaum, in agricultural land, presently farmed by thousands of small holders, whose families have worked the land there for many generations. New access roads would be needed, plus, perhaps a railway system which would require many bridges and tunnels, and the airport would be close to high wooded hills. There are doubts about the operational feasibility of building an airport so far from the regional capital. The local political representatives, all members of the governing coalition, favour expansion of Belgaum airport on the grounds of 'national economic development', 'social progress' and national pride. So does local business, which claims that the current airport is holding back economic expansion in the region.



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Airport passengers, business and tourist alike, are plagued by long delays to flights and missed connections, and traffic jams during access and egress along the airport's single and inadequate southern road to Belgaum city. Public disquiet about proposals to expand Belgaum airport have surfaced and are attracting media interest. The main opposition comes from local residents around the airport, though they do not yet form a majority. On the southern boundary, people living along the main road to the airport oppose widening the road because this would mean demolishing many thousands of homes. People living just behind these houses oppose widening because this brings the new road right up to their properties. A 'Homes Before Roads' campaign is underway. People to the north oppose a new airport runway because of the impact during construction and afterwards on the residents who would have to move to make way for it, and on those left behind, who would be near aircraft taking off and landing. A 'Hands off the River' campaign has been formed.

Assume that you were asked to advise the State Government on how to defuse opposition to the new runway. What answers would you give to the following questions?

- a) **What are the interests of residents who oppose the new runway? (3 marks)**
- b) **What negotiable issues might serve those interests? (3 marks)**
- c) **What are the interests of the state government? (3 marks)**
- d) **What negotiable issues might serve the state government's interests? (3 marks)**
- e) **Is there a potential overlap on the positions of the residents and the State Government? (3 marks) CO 3-4**