

K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH

Program: PGDM/MMS -Elective (Batch 2016-2018)

Subject: Negotiation and Decision making
(End Trimester examination)

Maximum Marks: 25
1/2 Hours

Date: 5/4/2018

Duration: 1

Note: Question 1 is compulsory and carries 10 marks.

Answer any three questions out of Q2-7. Each question carries 5 marks.

1. When shopping for a used piano, Anjali Chopra answered an ad in the Times of India. She visited the sellers' address at Dadar Parsee Colony - an old building badly needing repair. The piano, in a gleaming walnut jacket was beautiful and in excellent condition. The seller-Shrenaj, asked for Rs. 50,000, which really was a bargain at that price. But Anjali had only 2 days back received an unexpected additional Performance Bonus of Rs. 35,000 from her employer - an IT major, and mentally she had kept that windfall amount as the upper limit for her purchase.

She looked around and observed that the piano was kept in storeroom where there were several other musical instruments- a harmonium, a table and a violin. Apparently, Shrenaj was a versatile musician, who also probably gave performance. There had to be a compelling reason for selling such a beautiful item.

Anjali asked her obvious first question 'Are you buying a new piano?' Shrenaj hesitated. 'Well I do not know yet. See my husband has recently been posted at Singapore for at least the next 5 years, and while we are packing some of our furniture for taking along, this one will be a little expensive to transport.'

'Did they say how much extra cost?' Anjali asked.

'They say it will be about Rs.15, 000 -20,000.'

'When are you moving?'

'The packers will come tomorrow morning'.

Formulate a negotiation strategy with the following elements:

- a. Would you be the first to offer and, if yes, what would be your initial offer?
 - b. What would be your Target, Reservation Price, and BATNA?
2. What are the features of Distributive? What are the critical success factors?
 3. What is a framing jujitsu? What are the benefits of framing / reframing?
 4. What are the four strategies which can help set the stage for successful negotiations?
 5. 'Negotiators must manage the tension between creating and claiming value.' Explain the statement.
 6. Explain the approaches in conflict resolution strategies.
 7. Explain the nine steps to a deal.

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