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Paper Id: **270436** **Roll No:** | | | | | | | | | | |

MBA

(SEM IV) THEORY EXAMINATION 2017-18

NEGOTIATION AND CONFLICT MANAGEMENT

Time: 3 Hours ***Total Marks: 70***

Note: Attempt all Sections. If require any missing data; then choose suitably.

SECTION A

Q1. Answer the following questions: **(7x2=14 marks)**

a) What is conflict diagnosis?
b) What are functional conflicts?
c) What is emotional intelligence?
d) What is multiparty negotiation?
e) What is Alternative Dispute Resolution?
f) What is international negotiation?
g) What is break down of negotiation?

SECTION B

Q2. Read the following case study and answer all questions given at the end of the case: **(3 x 7= 21 marks)**

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 the 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 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 share holding beyond five to ten years but 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

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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.

Questions:

a. What are Delgado's longer term interests?
b. What proposal could you suggest to reconcile Delgado's and Nothing Ventured Fund's interests?
c. What kind of BATNA could Delgado develop to strengthen him in his negotiations?

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SECTION C

Q3. Attempt any one of the following: (1 x7= 7 Marks)

a) Explain dual concern model of conflict resolution.
b) Explain various sources of conflict in detail with examples.

Q4. Attempt any one of the following: (1 x7= 7 Marks)

a) Explain in detail what is communicated during Negotiation and how do you communicate in negotiation?
b) Explain individual styles for handling Inter Personal Conflict in detail.

Q5. Attempt any one of the following: (1 x7= 7 Marks)

a) Explain various issues involved in negotiation. Explain about the requirements needed for preparation for negotiations.
b) Explain the effectiveness of persuasion strategy in negotiation process.

Q6. Attempt any one of the following: (1 x7= 7 Marks)

a) Explain the various causes of Impasse and Intractable negotiations.
b) Explain the various challenges faced by effective negotiators in an organizational set-up.

Q7. Attempt any one of the following: (1 x7= 7 Marks)

a) Explain the influence of cultural differences in negotiation.
b) Explain Hofstede’s Cultural Dimensions in the context of negotiation.

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