

ALL ABOUT

XAT

DECISION MAKING



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Chapter 1: Introduction to Decision Making

1.1 What is Decision Making?

(as asked in XAT)

In Decision Making, a situation in the form of a case study is presented. Generally, you are provided a situation in which multiple courses of action arise of a particular action, and you are supposed to identify the appropriate course of action from the available options. Majority of the time, the questions pose ethical dilemma faced in one's personal life, management- human resource, marketing, administrations etc. You are expected to address and solve them. You can view these questions as a combination of critical reasoning and reading comprehension questions.

These kinds of questions require a logical approach and a clear understanding of the situation. It often requires going through text and then logically interpreting the information presented.

1.2 Skills required

1. Ability to comprehend the situation.
2. Ability to understand the ethical/ financial or managerial implication on various parties/ stakeholders involved.
3. Practical understanding of the situation and solving it with a balance of practical, logical and ethical responsibility.
4. Ability to identify the course of action which is feasible, practical and prudent without being biased.

1.3 Relevance in the test

Below is the table that shows trend of these questions in previous year's papers:

| Year | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|------|------|------|------|------|------|------|------|------|
| No of DM & Analytical reasoning questions | 10 | 8 | 10 | 12 | 25 | 25 | 21 | 24 | 23 |
| Total Questions | 120 | 104 | 104 | 101 | 85 | 91 | 83 | 84 | 78 |

Over the years the number of questions asked in Decision making area has increased.

1.4 Format of the Question

The question can appear in any of the following formats:

- A. **Single Question per Paragraph:** These mimic critical reasoning questions, where a single paragraph is followed by one question.
- B. **Two to Three Question per Paragraph:** In several instances, caselets have been provided by XAT, which have been followed by only 2 or 3 questions. Make sure you select the questions you wish to attempt wisely as you do not want to end up wasting too much time for just 2 questions.
- C. **Four to Five Questions per situation/caselet:** These questions are generally long caselets that are followed by 4 to 5 questions. In these caselets, you generally have multiple viewpoints presented.

Context of Decision Making Questions

Decision making questions generally revolve around the following context:

1. Logic based
2. Financial issues
3. Managerial Issues
4. Ethical dilemmas

Note:

1. You should spend sufficient time of your time preparing for Decision Making whereas the other half should be used in preparing for the other sections.
2. Try pure logic and financial issues questions to attempt first. Since these are logic based, there is generally no confusion between the two options. Either you will be able to solve it and get the answer, or you will not be able to get to the answer. You will not be left confused and stranded between two options.
3. On the other hand, the questions that are based on 'Managerial Issues' and 'Ethical Dilemmas' tend to appear easy but the options are often very confusing.
4. The majority of questions in XAT Decision Making would be based on 'Managerial Issues', so it is recommended that you practice and also understand the logic behind the answers.
5. Practise Decision making questions from previous years papers.

Chapter 2: Tips to Solve Decision Making Questions

Decision making is needed to resolve:

- Ethical Dilemmas
- Corporate/Managerial issues
- Financial choices
- Personal Decisions

Note: There may not be one correct or ideal course of action to resolve ethical dilemmas in real life. However, take into account the following considerations that may help you to easily eliminate incorrect answers, if not, arrive at the correct answer.

2.1 Eight Things to be kept in Mind while solving Decision Making Questions:

1. Establish Stakeholders in a given problem

Every situation that you are given generally has multiple stakeholders, people or parties for which that information is relevant. Make sure you make a mental list of all of these.

2. Analyse Problems Holistically

For the stakeholders that you have analysed, make sure you are able to analyse the problem from the viewpoint of every stakeholder. Do not adopt viewpoints that neglect one side of the story.

3. Select a course of action

Don't be passive. It is imperative to take action in your ability. Ideally, the first step would be to report it to the concerned authorities, quoting the reasons why you suspect the same. Of course, it would be a good idea to be certain before making an allegation as eventually, the evidence will rule.

4. Take the viewpoint that maximizes benefit and minimizes damage from a complete angle

In decision-making questions, you are supposed to select the option that maximizes the benefit for the majority, and at times, this might mean selecting a course of action that might be completely risk-free.

5. Avoid personal opinions

Also, do not favour any one side in any particular case. It is a common tendency of students to adopt an approach based on your own value

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system (for example: an anti-business or anti-worker's approach in a dispute between management and workers). Do not allow personal opinions to cloud your judgment.

6. Do not adopt unethical practices

Options that present shortcuts or unethical ways of solving a problem need to be instantly rejected. These are never the answer.

7. Do not select options that pronounce unsubstantiated judgments

Many of the options that present extreme scenarios are actually nothing else but cleverly concealed opinions. Remember, these opinions appeal to emotion and can tempt you to select them. Be careful about them and make sure you do not get enticed by this trap

8 Question yourself and make sure you are not missing anything

Majority of the time, you are faced with intricate scenarios where you miss one element or the other while solving a problem. Make sure you question yourself about these assumptions and ensure that you have not missed some vital piece of data.

2.2 Approach to solve with Examples

A. Caselet based Question:

Answer questions on the basis of information given in the following caselet.

Mohan's was a popular fast-food joint at Connaught Place, Delhi. Initially Mohan handled his business alone. His sons, Ram and Kishan, joined the business after graduating from college. Ram was entrepreneurial in nature. Subsequently, another branch of *Mohan's* was opened in Panipat. Mohan had chosen Ram to head the Panipat branch. Though Ram increased sales in a short time, he had stopped using premium quality organic vegetables, the speciality of *Mohan's*. Mohan and Kishan were not happy with his way of doing business.

Now, the foremost challenge for Mohan was to sort out this issue with Ram. Mohan knew that replacing Ram with Kishan was difficult as Kishan did not want to leave Delhi. However, giving a freehand to Ram might have long term negative consequences. Mohan was confused about the future course of actions.

1. Mohan sought the help of five consultants, who gave the following opinions:

I. Organic vegetables might be a big success at Connaught place but awareness about organic vegetables is low among Panipat customers.

II. The Connaught place model can be implemented in Panipat provided the business is prepared to face the consequences.

III. Many high end restaurants in Panipat use organic vegetables. So, using organic vegetables will not be a differentiating factor.

IV. Selling prices of their dishes in Panipat are significantly lower. Using organic vegetables will bring down profits.

V. Premium quality organic vegetables are not easily available in Panipat.

Which of the following set of options would support Ram's argument of not using organic vegetables?

A. I, III, IV

B. II, IV, V

C. I, III, IV, V

D. II, III, IV, V

E. All of the above

2. Mohan sought feedback from a few of his businessmen friends, who were familiar with both the branches. Here is what they said:

Businessman 1: Customers of Connaught place and Panipat are very different.

Businessman 2: Customers in Panipat are extremely happy with Ram's behaviour.

Businessman 3: Panipat branch does not use the same quality of ingredients but maintains good hygiene and taste.

Businessman 4: Who knows, tomorrow the customers of Panipat might also appreciate what Connaught place customers appreciate today!

If Mohan thinks all these are valid concerns, which of the following actions would be best for the business?

- A. Training Kishan to replace Ram in a few months.
- B. Not worrying about ingredients as long as business grows.
- C. Bringing Ram to Connaught place branch.
- D. Naming the Panipat branch as '*Ram's*', and changing it back to *Mohan's*, when needed.

E. Asking Kishan to run the Panipat branch.

3. After discussing with a few customers, Mohan realised that compromising on the quality of ingredients at Panipat branch may not be a good idea but at the same time he also realised that Panipat branch had grown fast. He was contemplating following five actions. Which of the following actions would be the best for the future of his business?

A. Creating awareness campaign for organic vegetables in Panipat.

B. Mohan himself should look after the Panipat branch.

C. Close down the Panipat branch.

D. Send Kishan to Panipat branch and bring Ram to Connaught place permanently.

E. Hire a new person to run the Panipat branch

Tips to solve:

- Read the Question Stem
- Identify the core issue – the matter at hand?
- Rule out all the irrelevant options

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- Look at the 2Cs– Consequences & Complexities
- Shortlist an option that

Helps in resolving the issue

It should be practical, feasible and logical

It should not be biased

It should be in benefit of all the stakeholders

It should be ethical

Note: Approach for Sales/ Marketing related questions:

- Remember the context and stay within it.
- Do remember the basics: Sales increase with increased quality of product. Or by conveying how good your existing product is.

Solution:

| | | |
|---|---|---|
| 1 | C | Only statement II is not related to the question asked rest all the statements speak in favour Ram. |
| 2 | D | As customers are happy with Ram and business is going well so changing name of Panipat branch to Ram's will not affect the reputation of Mohan's at Delhi. In case Ram's starts losing business then the name of the food joint can be changed to Mohan's to capitalize on brand value. |
| 3 | B | For the future it will be better if Mohan himself takes care of the business in the Panipat as he knows that how to handle and establish a brand. |

B. Case Based single question**(Course of Action)**

4. Innovative Institute of Business (IIB) has decided to be the first green campus in India. IIB Administration has advised all campus residents to reduce carbon footprints. IIB faculty members did a brainstorming and came up with the following suggestions:
- I. Replacing electricity source for street lights with solar panels.
 - II. Replacing the existing buildings with environment friendly buildings.
 - III. Organizing a seminar on 'Towards a Sustainable Future' involving all students, staff, and experts from around the country.
 - IV. Introducing a compulsory course on sustainability to increase awareness among students.
 - V. Conducting an initial energy audit to explore where IIB can reduce carbon footprints.

Which of the following options would be the most preferred sequence of actions to reduce carbon footprints on campus?

1. II, IV, V 2. IV, V, III 3. V, I, II
4. V, I, III 5. V, III, I

Sol: Option C First energy audit should be conducted to find out where IIB can reduce carbon footprints. Course of action Stated in the statement I can be immediately done without waiting for energy audit report. Finally existing buildings should be replaced with environmental friendly buildings.

C. Ethical Dilemma

5. Hitesh was an operations manager in a social development organization and observed deep-set caste discrimination all around him. Observing that caste based discrimination was endemic in his organization, he decided to quit and start his own NGO. In his organization, he employed people from all castes and tried to eliminate caste-bias. Over the years, his NGO expanded and started working with various sections of society and started supplying material to organizations dominated by those of supposedly higher castes. As part of his

team, he built a squad of sales representatives consisting of people from diverse backgrounds and all castes. As his representatives were from diverse backgrounds, including the lower castes, he soon started experiencing resistance from his clients as they objected to the presence of representatives from the lower castes.

Hitesh is stuck in an ethical dilemma now. With more than half his employees from the lower castes, he can no longer send them to his clients. He is under pressure to change the demography of his organization. On the other hand, if he does so, he defeats the very purpose of building his organization in the first place.

What should he do as a socially aware entrepreneur who knows of his social responsibilities?

- A. Shift to businesses and areas of work which face no such stigma.
- B. Reduce the number of lower-caste employees.
- C. Let the current situation continue and hope for the social climate to improve.

D. In future, hire only people from castes that pose no such problems.

E. Try to juggle his assignments in such a manner that he does not send people from the lower castes to those clients who object.

Sol: In the given case, the correct answer is option E. Hitesh is stuck in a catch-22 situation and needs to balance his business requirements and his objectives. A solution in the short term is managing his work in such a manner that the damage is minimum and his work does not suffer. Option E is one such solution where he can continue to run his business and also keep his workforce profile the same. Though not ideal, Option E is the only viable solution. The other options do not provide a solution to the problem and are in some way or the other, escape routes.

Approach for Ethical Dilemma:

- Do not take extreme views
- Balanced choice is the best
- Organization view/benefits to be matched with those of the individuals.

D. Management Issue

A lot of the questions would be based on Hr Issues:
Employee welfare vs. Profit.

Types of Questions (examples):

- Erring employees
 - Faulty promotion schemes
 - Recruitments options etc.
6. You the HR manager of your organisation. There is a hard-working employee, Sanjeev, in your organisation. In terms of behaviour, effort and diligence, Sanjeev is one of top most employees in the company. The issue is that the company is a call-centre for a US based company and the Sanjeev's communication skills are not up to the level. Even after providing a training, Sanjeev has not been able to improve his communication skills.
- What should you do in the given scenario?
- A. Ask Sanjeev to leave.
 - B. Provide another training to Sanjeev.
 - C. Find another job for Sanjeev
 - D. Change the job role of Sanjeev.

E. Both 1 and 3

Solution: Answer choice D.

This prompt represents a typical scenario in a company where the performance of an employee is under scrutiny. As you can see, there is a positive and a negative side provided in the question. In the given case, you need to figure out a solution that is beneficial for the company yet takes care of the employee as well. These are the ***middle path questions***, where you select an option that suits all. In this case, that option is 4. It helps both the company as well as the employee.

Options A and C are extreme and illogical.

Option B is not valid as it represents a solution that has failed already; you should not go against the facts in this case.

DIRECTIONS for questions 7 to 10: *Read the following caselet and choose the best alternative for the questions that follow.*

Prof. Vijya, the chairperson of the Faculty Academic Committee (FAC), was trying to understand the implications of decisions taken by the Student Placement Committee (SPC) on placement issues.

It was alleged that Biswajit, a final year student, inflated his grades in his bio-data that was sent to the recruiters. The President of SPC requested the FAC to debar Biswajit from the campus recruitment process. When the matter was brought up for discussion in FAC, one of the professors remarked that Biswajit too should be allowed to defend himself. When Biswajit arrived for the meeting the situation became even more challenging.

Biswajit raised the issue that many other students who had misrepresented grades to get coveted jobs had gone scot-free. He alleged that these students were close to the President of SPC and therefore, no action was taken against them. He stated that somebody has deliberately manipulated his grades in the bio-data.

This allegation confused the members and it was decided to adjourn the meeting. Vijya was to decide on the next course of action.

7. If you were Vijya what in your opinion would be the most appropriate action?
 - A. Debar Biswajit and the President of SPC from the placement process as they have failed to uphold the rules of the SPC.
 - B. Suspend Biswajit and the President of SPC.

C. Constitute a fact finding committee to investigate the matter and ask them to submit a report to you within a week's time.

D. Apprise the corporate recruiters of the situation and assure them that corrective actions will be taken.

E. Both options C and D.

8. It was found that a large section of the students have been indulging in such practices. Unfortunately, the HR manager of a much coveted campus recruiter, who is an alumnus of the college came to know about this. Considering yourself in the position of that HR manager, what I would be your reaction?

A. Express your displeasure and stop any further recruitment from the college.

B. Talk to your contact in the college and try to find out the truth.

C. Do not change anything and continue the process as if nothing has happened.

D. Ask the college to send a fresh set of bio-data as you wanted verified grades of the Students.

E. Ask the SPC to resend the details of the short-listed students including their verified grades.

9. As a potential entrant you are having an informal Facebook chat with one of the college seniors. You wanted to know about the pay packages of the graduating students. The senior replied that one will be able to understand this only after joining the college. He did not reveal any information but suggested that it is not very difficult to get a high salary job as you have already started networking. He also cautioned that you should not believe any rumors and you should directly contact the student body for any further information. What will be your most appropriate choice for seeking further information about placements?

A. This conversation will increase your interest and you will network more with the students of the college for increasing your chances of getting a high salary job.

B. You will contact the college authorities to get more insights about the placement process.

C. You will start networking with the HR managers to understand their requirements.

D. You will try to contact the President of SPC

E. You will contact your other Facebook friends to find out about the placement activities at the

10. Vijya found that there were many such cases of grade inflation. She was giving final touches to the report when her attention was diverted by a phone call on her personal cell phone. It was from an unlisted number. The caller conveyed to her that it will be in her interest as well as in the interest of the college if the report is not presented to the Director. The caller also told her these findings will change nothing only result in bad publicity for the college. The caller identified himself as a well-wisher of the college before hanging up. Consider yourself in Vijya's position and choose an appropriate decision from the following choices.

A. Disregard the phone call and do not share its details with others.

B. Understand the implications of the phone call and apply For a leave.

C. Call up the Director, tell him about the phone call, and excuse yourself from the responsibility.

D. Talk to the Director and seek his opinion.

E. Constitute a different committee to investigate the "phone call" and carry on with normal activities.

Solution:

| | | |
|-----|---|---|
| 7. | E | Verify the key facts related to the case and take the corrective measures. |
| 8. | D | Ask for the verified and correct data. |
| 9. | B | There cannot be better option than clearing things from the college authorities and if they direct me to person concerned, it would be their call/responsibility as college authorities will be better position to deal with the problem in hand. |
| 10. | E | There is no point in running away from the responsibility because of a call from unknown caller .We are also not sure of concern shown by the caller so it would be a right decision to continue with the work and get the team to investigate about the caller/call etc. |

E. Critical Reasoning

1. Mrs. Biswas has been leading business manager in the world of business and has established her credentials in a world dominated by men. She has primarily worked in the industry and has extensive knowledge of the field. She recently started her

own cosmetics firm and has decided to make sure that females find adequate representations in her company. In her experiences in the cosmetic industry, she has generally seen that the sales and marketing wings of most companies are dominated by men. Keeping this in mind, she has decided to employ at least 50% females in the sales and marketing department of her company.

Which of the following could be the most serious issue that Mrs. Biswas might face with her decision?

- A. The job might have travel requirements that might pose a challenge for females.
- B. Females have an intrinsic understanding of the use of cosmetics that men do not have.
- C. It is not necessary that females wish to take up these roles.
- D. Men are better at sales than females.
- E. Both B and D

Solution: Option A

In the given case, the given prompt behaves like a critical reasoning prompt. The fact is that Mrs. Biswas wishes to



addresses the problem of gender equality. Her solution is to have selection criteria on the basis on gender. In this case, she neglects the fact that the given job role might have certain requirements which require males and this is a threat to her plan. Option B does not weaken the argument; rather strengthens it. Option C does not provide conclusive evidence against the argument. Option D is a prejudiced statement and we avoid such options in decision making questions.

Quick Tip: For reasoning type question, evaluate the question as an argument. Isolate the premise and conclusion and attack the assumptions of the argument.

Chapter 3: Actual Decision Making Questions 2012 - 2019

Actual Decision Making Questions 2012:

DIRECTIONS for questions 1 to 4: Answer on the basis of the information given in the following case.

Tina, a blast furnace expert, who works as a technology trouble-shooter stays in Jamshedpur. She has got an important assignment in Delhi, which requires six hours to complete. The work is so critical that she has to start working the moment she reaches the client's premises.

She is considering various options for her onward and return journey between Jamshedpur to Delhi.

A quick search revealed that ticket from Jamshedpur to Delhi is available in two trains. Trains 12801 and 12443 depart from Jamshedpur station at 06:45 hrs and 15:55 hrs and reach Delhi next day at 04:50 hrs and 10:35 hrs respectively. Trains 12444 and 12802 start from Delhi at 17:20 hrs and 22:20 hrs and reach Jamshedpur next day at 10:35 hrs and 20:05 hrs respectively.

Another option is to reach Ranchi by a three hour road trip and take a flight to Delhi from Ranchi. The distance between Ranchi and Delhi is covered in 105 minutes both-ways by any of the scheduled flights. Air India

operates two flights, AI 9810 and AI 810, which depart Ranchi at 8:00 hrs and 15:25 hrs respectively. Flight number IT-3348 operated by Kingfisher Airlines departs Ranchi at 19:20 hrs. Return flights operated by Air India, AI 9809 and AI 809, depart Delhi at 5:50 hrs and 11:00 hrs respectively. Flight number IT-3347 operated by Kingfisher Airlines departs Delhi at 17:10 hrs.

From Tina's home Jamshedpur railway station is five minutes drive, and her destination at Delhi is 90 minutes and 30 minutes drive from airport and railway station respectively. One has to reach the airport at least one hour before the scheduled departure to complete the boarding procedure. At every railway station she loses five minutes in navigating through the crowd.

1. If Tina wants to minimise the total time out of Jamshedpur, the best option for her, from the options given below, is:
 1. AI 9810 and return by IT 3347.
 2. AI 9810 and return by train number 12802.
 3. IT 3348 and return by AI 9809.
 4. Train number 12443 and return by train number 12444.
 5. AI 9810 and return by train number 12444.

2. Tina gets a message that her work has to be completed between 9:00 hrs. and 17:00 hrs. If she wants minimise the total time out of Jamshedpur, the best option, from the options given below, for her among the following is to go by
1. Train 12443 and return by Train 12444
 2. Train 12801 and return by Train 12802
 3. AI 9810 and return by AI 9809
 4. AI 810 and return by AI 9809
 5. IT 3348 and return by IT 3347
3. Tina has to appear for an exam on 8th of January in Jamshedpur and she can start from her residence in Jamshedpur only after 16:00 hrs of the same day. Choose the option, from the options given below, that will help her to minimise the total time out of Jamshedpur.
1. Go by Train 12443 and return by Train 12444
 2. Go by Train 12443 and return by AI 9809
 3. Go by IT 3348 and return by Train 12801
 4. Go by AI 810 and return by Train 12801
 5. Go by AI 9810 and return by AI 9809

4. If Tina decides to minimise the in-between waiting period, the option that she should choose from the options given below, will be:
1. Go by Train 12801 and return by IT 3347
 2. Go by Train 12443 and return by Train 12802
 3. Go by AI 9810 and return by Train 12802
 4. Go by AI 810 and return by AI 9809
 5. Go by IT 3348 and return by AI 809

DIRECTIONS for questions 5 to 6: Answer on the basis of the information given in the following case.

Vivekananda Memorial Elocution Competition (VMEC) in Viswavijay Public School (VPS) has a history of forty years. Apart from the founder's day and annual day celebrations, it is the most important event of the school.

In recent times, due to the increased popularity of reality shows on television channels, and for various other reasons, the elocution competition lost its appeal. Interest of both students and parents has been eroding over a period of time. To ensure sufficient audience, Mr. Ivan, Head of English Department, introduced choral recitation for junior section as a part of elocution competition. Three classes, each consisting of forty

students, get short-listed for the final performance of choral singing on the day of VMEC. Most of the parents and family members of these students attend the function to encourage them. This initiative increased the number of people attending the elocution competition.

Some teachers are unhappy with the emphasis given on the elocution competition, since they are expected to be present at the school on the day of competition, which normally happens on a weekend to accommodate the working parents. The teachers were not granted leave on the day of VMEC and they used to be unhappy regarding this aspect.

5. Ms Shabina, the principal of VPS, is aware that some of her teachers are unhappy. She wants to be seen as fair and just. Which option is the best one that she should exercise?
1. introduce separate music and dance competitions in same format as the elocution competition.
 2. appropriately compensate those teachers who volunteer to come for the extra day

3. appoint a committee of teachers, parents and management representatives to come up with possible suggestions within a deadline.

4. appoint a committee of teachers to come up with possible suggestions, and ensure that majority of committee members are staunch supporters of the current practices.

5. exercise the authority of the principal because she wants to retain all traditions.

6. A group of unhappy teachers have come up with a list of action plans for the consideration of their colleagues. The action plans are listed below.

I. Exposing Mr. Ivan's intentions behind the inclusion of choral recitation.

II. Conduct an open house discussion to gauge the unhappiness and to identify possible solutions.

III. Introduce music and dance competitions in same format as elocution competition

IV. Demand compensation for their work on the day of VMEC.

Mr. Zacharia, one of the senior teachers and a well wisher of VPS, is asked to go through the action

plans and make recommendations that benefits VPS the most. He would recommend:

1. Options I and II
2. Options II and IV
3. Options 1 and III
4. Options I and IV
5. Options I, II, and IV

DIRECTIONS for questions 7 to 9: Answer on the basis of the information given in the following case.

Dev Anand, CEO of a construction company, recently escaped a potentially fatal accident. Dev had failed to notice a red light while driving his car and attending to his phone calls. His well-wishers advised him to get a suitable replacement for the previous driver Ram Singh, who had resigned three months back.

Ram Singh was not just a driver, but also a trusted lieutenant for Dev Anand for the last five years. Ram used to interact with other drivers and gathered critical information that helped Dev in successfully bidding for different contracts. His inputs also helped Dev to identify some dishonest employees, and to retain crucial employees who were considering attractive offers from his competitors. Some of the senior employees did not like the informal influence of Ram and made it difficult

for him to continue in the firm. Dev provided him an alternative job with one of his relatives.

During the last three months Dev has considered different candidates for the post. The backgrounds of the candidates are given in the table below.

| Name | Age | Educational Qualification | Experience | Expected Salary (Rs.) | Remarks |
|---------------|-----|---------------------------|-----------------------------------|-----------------------|--|
| Sunder | 32 | Post graduate | Seven years of driving experience | 18,000 per month | Ex-employers are highly satisfied. Their only concern is about his tendency to switch jobs after every six months. Enjoys the newness in every job but tends to lose interest after six months. Not willing to commit for any more than six months |
| Mani | 23 | Studied up to Standard IX | One year | 8,000 per month | Claims to have more than one year of experience, but can't provide |

| | | | | | |
|------------------|----|----------|--------------------|------------------|---|
| | | | | | any certificate to substantiate it. He has received a hike of Rs. 2,000 last month on account of his good performance as a driver. |
| Chintan | 44 | Graduate | 20 years | 20,000 per month | Working as a driver for the last one year after losing his previous job of a stenographer. He has been forced to take up the job of a driver. |
| Bal Singh | 40 | Literate | More than 20 years | 15,000 per month | Cousin of Ram Singh. Substituted Ram as Dev's driver whenever Rani was on leave. Currently working as a driver with Dev's in-laws. Strongly recommended by Ram. His |

| | | | | | |
|----------------|----|--------------|----------|------------------|--|
| | | | | | knowledge and contacts in the firm is as good as Ram's. |
| Chethan | 38 | Standard XII | 10 years | 12,000 per month | Working as a temporary driver with Dev's major competitor for the last three years. The competitor has offered Chethan's service to Dev on a temporary basis. Chethan has also expressed his willingness to work on a long term basis, provided he is given an annual increment of Rs. 500, which is reasonable as per the market condition. |

Dev is primarily looking for a stable and trustworthy driver, who can be a suitable replacement for Ram. His family members do not want Dev to appoint a young

driver, as most of them are inexperienced. Dev's driver is an employee of the firm and hence the appointment has to be routed through the HR manager of the firm. The HR manager prefers to maintain parity among all employees of the firm. He also needs to ensure that the selection of a new driver does not lead to discontent among the senior employees of the firm.

7. From his perspective, and taking into account the family's concerns, Mr. Dev would like to have
- | | | |
|------------|------------|--------------|
| 1. Chethan | 2. Chintan | 3. Bal Singh |
| 4. Mani | 5. Sunder | |
8. In order to resolve the conflicting preferences, one of Dev's friends suggested Dev, his family members and the HR manager to identify their most and the least preferred candidates without considering the concerns of other stakeholders.
- I. Dev's most and least preferred candidates: Bal Singh and Chetan respectively
- II. Family members' most and least preferred candidates: Bal Singh and Chintan respectively
- III. HR manager's most and least preferred candidates: Chethan and Bal Singh respectively

Which of the above three statements is/are in conformity with the information provided in the passage?

1. Option I
2. Option II
3. Options I and II
4. Options II and III
5. Options I, II and III

9. Who among the following five candidates is most likely to be rejected by the GM (HR)?

1. Chethan
2. Chintan
3. Bal Singh
4. Mani
5. Sunder

DIRECTIONS for questions 10 to 11: on the basis of the following letter.

To the Chairman:

Dear Mr. Sailesh,

At the December 3, 2011 meeting, it was decided that no two officers would hold positions on the same committee. It has recently come to my attention that both Chaitanya Rao and Ajit Singh will be serving in some capacity on the Cultural Committee, and both have been nominated for officer status. As you know, this is in direct disregard for the rules as voted by the Members

Council last December 3, 2011. I would hope that sufficient action be taken by the Disciplinary Committee (on which committee both of the above are members) so that this problem will be remedied.

Sincerely,

Arvind Singh

- 10.** Which of the following is an essential flaw that the writer of the letter overlooked?
1. Rao and Ajit are already serving together on the Disciplinary Committee.
 2. The Chairman has no power in the matter.
 3. The Members Council cannot pass rules limiting members.
 4. Rao and Ajit are yet to be confirmed as officers.
 5. Cultural Committee is only active during the annual festival.
- 11.** If both the nominations are confirmed, which of the following, exhaustively and reasonably, describes actions that may occur in the near future?
1. Arvind resigns his membership.
 2. Either Rao or Ajit resigns his membership.

3. Ajit resigns his committee post on the Cultural Committee.
4. Rao resigns his position on the Cultural Committee.
5. Either Rao or Ajit resigns his position from the Cultural Committee, and the other resigns his position on the Disciplinary Committee.

DIRECTIONS for questions 12 to 14: on the basis of the information given in the following case.

Due to increased competition, Ginger Automobiles, the Indian subsidiary of Pepper Automobile Company (PAC) reported lower sales and profits. PAC expects its new model *Limo*, developed especially for value conscious customers of India and China, would revive its fortunes. In order to prevent customers from buying competing products, PAC announced the launch of *Limo* six months before schedule. Due to unrest in its Indian supplier's plant, deliveries of essential components for its main plant was hampered, and hence it decided to launch *Limo* in China only as per the original plan. Within a short span of time, *Limo* captured 30% market share in China, which was 200% higher than expected. Indian customers who had looked forward to purchasing *Limo* were becoming increasingly unhappy to the non-availability of *Limo* in

the India. Ginger's dealers were worried about loss of business from the customers who might switch to other cars.

- 12. Statement I:** In the Chinese market, *Baft*, and *Hebe*, are competing models in *Limo's* target market. Due to increase in sales of *Limo* by 200%, *Baft* and *Hebe* saw their market share decline by 10%.

Statement II: *Baft* and *Hebe* were not desired by the customers due to their new features. Which of the following conclusions can be most justifiably made?

1. I alone 2. II alone 3. Either I or II
4. Neither I nor II 5. I and II together
- 13.** Unhappy customers will not only leave the company, but also spread negative publicity about the company. The best way, among the options below, to deal with customers is:
1. suggest to customers to wait.
2. suggest to customers to consider purchasing any of the other PAC's models available in

showrooms, with a substantial discount along with gifts.

3. suggest to PAC to treat Indian and Chinese markets equally.

4. promise the top management of PAC higher sales/profit from Indian market compared to Chinese market.

5. suggest to the top management of PAC to manufacture essential components in either India or China.

14. Due to increased competition, Ginger Automobiles, the Indian subsidiary of Pepper Automobile Company (PAC) reported lower sales and profits. PAC expects its new model *Limo*, developed especially for value conscious customers of India and China, would revive its fortunes. In order to prevent customers from buying competing products, PAC announced the launch of *Limo* six months before schedule. Due to unrest in its Indian supplier's plant, deliveries of essential components for its main plant was hampered, and hence it decided to launch *Limo* in China only as per the original plan. Within a short span of time, *Limo* captured 30% market share in China,

which was 200% higher than expected. Indian customers who had looked forward to purchasing *Limo* were becoming increasingly unhappy to the non-availability of *Limo* in the India. Ginger's dealers were worried about loss of business from the customers who might switch to other cars.

Mr. Murugan from Chennai experienced the comfort of *Limo* during his visit to China. He was willing to deposit an approximate price of *Limo* to buy the first available unit from Mr. Ahmed, a dealer in Chennai, known for fair dealing. Ginger Automobile is yet to announce the actual price, and the process for allocation of the vehicles. In order to maximise his cash flow, Mr. Ahmed should

1. collect the amount from Mr. Murugan. Later when the delivery is delayed, blame it on PAC's problems.
2. collect 50% as advance and the remaining 50% after the confirmation of launch date by Ginger Automobiles.
3. collect the amount Mr. Murugan is willing to deposit after clarifying that delivery is subject to the company policy.

4. not collect the amount, but suggest to Mr. Murugan to write to Ginger Automobiles.
5. collect the amount and transfer it to the account of Ginger Automobiles, instead of keeping it in his personal account.

DIRECTIONS for questions 15 to 20: *on the basis of the information given in the following case.*

Teknik Group of industries had businesses in different sectors ranging from manufacturing, construction, fish farming and hotels. These different businesses operated as semi-independent units managed by the unit level managers. Teknik's management had an internal consultancy group called as Business Advisory Group (known internally as BAG). The 15 experts in BAG were hired personally by Mr. Teknikwala, the owner of Teknik, who wanted this core group of experts to help his organization grow fast without facing the typical growth hurdles. Most of them were specialists in fields like law, information technology, human resource management, and operations management. Almost all of them had experience spanning decades in the industry. Whenever any of the units faced any significant problems, the unit level managers would put up a request for help to BAG. The problems ranged from installation of internal MIS

systems, to financial advice related to leasing of equipment, to handling of employee grievances.

Over a period of 20 years, Teknik's revenues grew from Rs. 100 crore to Rs. 10,000 crore with guidance of BAG and due to Mr. Teknikwala's vision. Given its reputation in the industry, many people wanted to start their careers in BAG. Often young MBAs, fresh out of business schools would apply. However their applications used to be rejected by Mr. Teknikwala, who had a preference for people with extensive industry experience.

Things changed after the unfortunate demise of Mr. Teknikwala. His daughter Miss. Teknikwali took up the family business. She was an MBA from one of the premier business schools, and was working in a different company when Mr. Teknikwala passed away. She preferred that BAG develop new ideas and therefore inducted freshly graduated MBAs from premier business schools. She personally supervised the recruitment and selection process. Now the entire group constituted of 50 specialists, out of which 35 were the old time members. She also changed the reporting relationships in the BAG group, with some of the older members being made to report to the new members. In IT team, Mr. Shiv, a newly recruited MBA, was made in-charge.

For the older members it was a shock. However, as most of them were on the verge of retirement, and it would be challenging to search for new jobs while competing with younger professionals, they decided to play along.

After one month, all business units were caught up in the ERP fever. This was an idea pushed by Ms. Teknikwali who the need the need to replace the old legacy systems with latest ERP system integrating all the units of Teknik. This was heavily influenced by her experience in the previous where an ERP system was already up and running. Therefore she was not aware of the difference between installing an ERP system and working on an already installed one.

The ERP implementation in Teknik Group required extensive coordination with senior level managers of all units and it represented an extra work for those who were involved. This coordination was required to understand the different work processes and the users' requirements. This coordination activity was being extensively managed by the old timers as they were familiar with internal processes and people in the different units. An external consultant was also hired for customisation and implementation.

After two months, BAG teams had to fortnightly present their progress to Ms. Teknikwali's team. In the last meeting Ms. Teknikwali was dissatisfied. She explained her thinking that since ERP impacted every aspect of the business, the roll out had to be done faster. She wanted Mr. Shiv to get the implementation completed ahead of schedule. In the meeting she asked Mr. Shiv to get the people in IT team to be more productive. Not willing to disagree, Mr. Shiv committed to a roll-out schedule of complete ERP system in 6 months instead of earlier decided 14 months.

Next day, Mr. Shiv presented the revised project milestone to BAG members. He told them that in order to meet the deadline, the members were expected to work on week-ends till the completion of the project. Along with that, they were also expected to maintain their earlier standards of delivery time and quality for the normal trouble-shooting and internal advisory work. Mr. Shiv also pointed out that anyone whose performance did not meet the expectations would be subjected to formal disciplinary action.

The meeting ended without any member commenting on Shiv's ideas, although Mr. Shiv heard a lot of mumbling in the corridor. Over the week, Shiv noticed that the

members seemed to avoid him and he had to make extra effort to get ideas from them. After a fortnight Shiv reviewed the attendance register and found that Mr. Lai, an old time member, had not come during the weekends and certain decisions were held up due to lack of inputs from Mr. Lai. Mr. Shiv issued a written reprimand to Mr. Lai. He was speechless on receiving the reprimand but kept silent.

It has been three days since that incident. Some of the senior members had put in request for transfer to other business units. It was rumoured that four senior legal experts had agreed to an offer from a law firm. Other senior members would sporadically come in late to work, citing health reasons. Almost all senior members now wanted a weekly work-routine to be prepared and given to them in advance so that they could deliver as per the schedule. This insistence on written communication was a problem as urgent problems or ad-hoc requests could not be foreseen and included. Also, normal services to other business units were being unattended to, and there were complaints coming from the unit heads.

- 15.** Which of the following could have been a better response of Mr. Shiv to Ms. Teknikwali's request to re-schedule the ERP implementation?
1. Look at industry best practices regarding fast-tracking of ERP projects and then commit to a new deadline.
 2. Consult the external consultant who was involved with ERP customisation and implementation.
 3. Create a smaller team of all the new recruits of BAG and present the idea to them alone.
 4. Eliminate the reliance on external consultants as they would be slow.
 5. Present the idea to BAG members and ask them to look at the feasibility of the entire plan.
- 16.** Which of the following can be identified as the immediate cause for the problems in BAG?
1. Ms. Teknikwali's decision to appoint Mr. Shiv as project lead for ERP implementation.
 2. The incompetence of the consultant who was implementing the ERP project.

3. Lack of information about what was happening in the ERP project.
4. Infighting between new recruits and the older members of BAG group.
5. Unilateral decision making by Shiv.

17. How should Mr. Shiv cope with the situation now? Choose the best option, considering Mr. Shiv's career would be at stake if the ERP project fails, and assuming that for carrying out the options, he has the necessary authority to do so.

1. Resign from BAG. The project cannot be done as per the re-scheduled time-table. Get a job in another company based on BAG's brand-name.
2. Inform Ms. Teknikwali about the situation and get help from her to deal with the old time members. Some old members need to be fired so that others are also disciplined.
3. Align the new members of the BAG group to his side by promising them rewards at end of the project. Obtain approval from Ms. Teknikwali for the same.

4. Develop work-routines aligned to the ERP project requirements. Hire extra resources for dealing with other ad-hoc requirements and for the ERP project requirements.

5. Create a joint team of old members and new members within BAG to take care of ad-hoc requirements. They would be socialized in out-bound programmes like mountaineering etc., which will be conducted during week-ends.

18. Of all the problems being faced in BAG, which of the following is neither discussed nor hinted at?

1. Ms. Teknikwali's lack of faith on older members to implement new ideas.

2. The inability of the younger members to work along with the older members of BAG.

3. Mr. Shiv's intention to impress Ms. Teknikwali by agreeing to a tougher deadline.

4. Ms. Teknikwali's lack of understanding of the complexity of an ERP implementation.

5. Mr. Shiv's lack of understanding of the sensitivities of the older members of BAG.

19. After her father's demise, the best way Ms. Teknikwali could have gone about dealing with BAG group would have been to:
1. Discuss with the members as to what their views were about the company and solicit ideas on how to make it grow further.
 2. Retire the entire team and hire a fresh team according to her criteria and her requirements.
 3. Hire an external consultant who would have interacted with the BAG members on her behalf.
 4. Ask the unit managers about the performance of the BAG group's performance and productivity. After that have discussion with BAG members about unit managers' performance.
 5. Break down BAG into different sub-groups. It would be easy to tackle one sub-group at a time and do what she wanted to achieve.
20. It can be inferred from the above case that implementation of an ERP package in an organization requires creation of a team that has:
1. a mixture of experienced employees and newly graduated employees

2. only young people with education in top schools and colleges
3. sufficient number of people who are networked with powerful stakeholders in the organization
4. right amount of problem solvers along with those who are abreast of the latest ERP technology
5. people who have been involved with operations for a long duration of time along with people who are aware of the latest in ERP technology

DIRECTIONS for questions 21 to 23: *based on the case given below.*

Ethical - a person is called unethical, when he deviates from principles. The principles and their use is often guided by two definitions:

Morals: society's code for individual survival

Ethics: An individual's code for society survival

Naresh was a small time civil contractor in a small city. His major clients were the residents who wanted ad-hoc work like painting, building repairs, building extensions to be done. His just prices had made him a preferred contractor for most of the clients who preferred him over other civil contractors. Always he followed the principle

that client had to be kept happy - only by doing so it would be a win-win situation for both. However due to the unpredictability of such orders from residents, Naresh used to be idle for substantial part of the year. As a consequence, he could not expand his business.

His two children were growing up and his existing business could not support their expenses. The medical expense of his elderly parents was another drain on his resources. The constant rise of prices in medical care and medicines was another issue. For Naresh, family's concern was predominant. Naresh was, therefore, under pressure to expand his business. He was the sole earning member of his family, and he had to ensure their wellbeing. He thought that by expanding his business, not only he would be able care for his family in a better way, as well as offer employment to more number of masons and labourers. That would benefit their families as well. Naresh drew the boundary of his society to include himself, his family members, his employees and their family members.

For expansion, the only option in the city was to enlist as a contractor for government work. Before deciding, he sought advice from another contractor, Srikumar, who had been working on government projects for a long

period of time. Srikumar followed the principle of always helping others, because he believed that he would be helped back in return some day. Srikumar had just one advice "The work is given to those who will win the bidding process and at the same time will give the maximum bribe. Prices quoted for work have to include bribes, else the bills will not get cleared and the supervisors will find multiple faults with the execution of work. This ensures survival and prosperity for contractors".

When asked about other contractors, Srikumar said "The government contractors are like a micro-society in themselves, almost like a brotherhood. Within that, they are highly competitive; however towards any external threat they are united to ensure no harm happens to any of their members".

21. Naresh decided to work as a government contractor. Following Srikumar's advice, he inflated the prices so that he could pay the bribes out the bills received.

1. Naresh is now totally unethical.
2. Naresh cannot be called totally ethical.
3. Naresh can be called ethical when it suits him.

4. Naresh is ethical to some extent.

5. Naresh is being totally ethical.

22. A new supervisor had joined a government department where both Naresh and Srikumar were bidding for work. During the bidding process for a particular project, in an open meeting with all contractors and officers from the department, he produced a document which had the rates at which Naresh had worked for private clients for similar building related work. He accused Naresh and Srikumar of over-pricing for government work and threatened to disqualify them from the bidding process, if the rates are not brought down. Faced with that situation, Naresh gave a written reply that "I use materials of inferior quality for private work, and that is the reason for price difference". Srikumar supported Naresh in the meeting by saying that he had seen Naresh's work and he agreed. In this situation, it can be concluded that:

1. both Naresh and Srikumar are unethical.

2. Naresh is unethical while Srikumar is not.

3. both Naresh and Srikumar are ethical.

4. Naresh is ethical to a large extent, but no conclusion can be made about Srikumar.

5. Srikumar is unethical, but no conclusion can be made about Naresh.

- 23.** Lankawala, another contractor, when faced with the new supervisor's demand to reduce prices for government work, asked him to guarantee that no bribes would be taken, and only then prices would be reduced. This was said in front of everyone. At this the supervisor forced Lankawala out of the meeting and threatened to black-list him. Lankawala did not say anything and walked away.

Blacklisting of a contractor by one government department implied that Lankawala would not be able to participate in any government departments' works.

In late evening, the city was abuzz with the news that the supervisor's dead body was seen on the railway tracks. In the investigations that followed, no one who attended the meeting recounted the happenings in the meeting to the police. Getting involved in murder cases could lead to unpredictable outcomes such as becoming the potential suspect, or an accessory to the crime.

Furthermore, cases could drag on for years, and one would have to appear in court as witnesses in response to court's summons. This, for a contractor, was a serious threat to his business due to the disruptions created. However, Naresh wanted to speak out but was pressurised by Srikumar and other contractors not to, and as a result he did not. Due to this, the case was closed unresolved with no one found guilty.

In this situation, it can be concluded that:

1. Srikumar is immoral, but ethical, while Naresh is not unethical.
2. Naresh is ethical and moral, while other contractors are immoral and unethical.
3. Naresh, Srikumar and other contractors are both immoral and unethical.
4. Other contractors are moral, and they prevented Naresh from being immoral.
5. Other contractors are unethical, but no conclusion can be made about Naresh.

DIRECTIONS for questions 24 to 25: on the basis of the information given in the following case.

Saral Co. is operating in seven north-eastern states of the country. The organization has a history of participative decision making, wherein people deliberate openly about pros and cons of every important decision, and a broad consensus is taken before taking the final decision. In Saral Co. every employee gets a salary proportional to the sales achieved. A new General Manager (GM) joined during the beginning of this month and challenged the organization's sole focus on sales to determine salaries. He urged the top management to include two more additional parameters in determining the salaries of the employees, viz. collection of information about competitors and the quality of relationship with the retailers.

- 24.** Manohar, the highest earning employee for the last three years, vehemently opposes the GM's proposal. Which of the following could be most likely reason for him to oppose the proposal?
1. He considers the proposal as a serious threat to his favourable position in Saral Co.
 2. He is not interested in collecting the information regarding competitors.

3. No clarity regarding the relative importance of the three parameters.
4. He is not interested in maintaining quality relationship with retailers.
5. He may need to work harder to earn the highest salary.

25. The top management of Saral Co. refused to implement the proposal of new GM from the beginning of next month. Which of the following could be the most justified reason for the management's refusal?

1. To ensure that no manager will get credit for a major change soon after joining.
2. To avoid attracting criticism for their failure to implement a similar scheme.
3. His past experience is limited to seven north-eastern states only.
4. The GM is new to the organization and he would require some time to implement the new plan.
5. The top management would need time to deliberate and get consensus.

Answer Key Actual Decision Making Questions 2012

| Q. | Key | Explanation |
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| 1. | 2 | <p>As the question is asking about the evaluation of the options only. So let's do that.</p> <p>As per the first option going by AI 9810 he will have to leave his house at 0400 hrs in the morning (3 hrs drive and 1 hr airport) and he will leave Delhi office at 11.15 hrs (1.75 hrs in the flight and 1.5 hrs commute from airport to office). After working for six hours he will be free at 17.15. Now the flight mentioned IT3347 leaves at 17.10, so he obviously he will reach Ranchi at 18.55 and will reach home at 21.55 hrs the next day. He is out of city for 41.55 hrs.</p> <p>As per the second option as he is going in the same manner, he will be free at 17.15. He will take the train 12802 and will reach next day at 20.05 hrs and will reach home at 20.10 hrs the next day. He is out of city for 40.10 hrs.</p> <p>As per the third option he will have to leave his home at 15.20 hrs (3 hrs drive and 1 hr airport) and will reach office at 22.35 (1.75 hrs in the flight and 1.5 hrs commute from airport to office). He will get free at 04.35 hrs and he cannot catch 5.50 hrs on the same morning. So he will catch it next morning at will reach home at 09.05 hrs. In total the time out of the city is 41.45 hrs.</p> |

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| | | <p>As per the Fourth option as he takes both ways by train only and thus the total time taken will be at least 18 hrs going and coming back 17 hrs and a work for 6 hrs makes it more than others, so no point calculating the exact time. So it is definitely more than others.</p> <p>As per the fifth option as he is going in the same manner, he will be free at 17.15. He will take the train 12444 next day evening and will return next to next morning at 10.40 hrs (including commute from station to home). Hence second option.</p> |
| 2. | 4 | <p>As per the first option, going by the train 12443 she will leave her house at 17.15, reach Delhi at 10.35 at the station and 11.05 at the office and in that case she will not be able to finish the work on the same day as time is less. The next day after completion she has to wait till the evening and will reach home at 10.40 hrs next to next day. In total again more than 2.5 days.</p> <p>As per the second option she will have to leave his home at 06:40 hrs and will reach office at 05:20 next morning and will wait there and her work will start at nine and she will be finishing it at 15.00 hrs and will again wait till 22.20 hrs and will reach at 20.10 hrs the next day. In total more than 2.5 days.</p> <p>As per the third option she will have to leave his home at 04.00 hrs (3 hrs drive and 1 hr airport)</p> |

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| | | <p>and will reach office at 11.15 hrs (1.75 hrs in the flight and 1.5 hrs commute from airport to office). She will get free next day at 9.30 hrs and will be able to catch the flight AI 9809 next day morning and will reach home at 9.05 hrs. In total 2 days and 5 hrs.</p> <p>As per the fourth option she will have to leave his home at 11.25 hrs (3 hrs drive and 1 hr airport) and will reach Delhi at 18.40 hrs (1.75 hrs in the flight and 1.5 hrs commute from airport to office). She will join office next day, will be free at 1500 hrs, and will be able to catch the flight AI 9809 next day morning and will reach home at 9.05 hrs. In total less than 2 days.</p> <p>As per the fifth option she will have to leave his home at 15.20 hrs (3 hrs drive and 1 hr airport) and will reach Delhi at 22.35 hrs (1.75 hrs in the flight and 1.5 hrs commute from airport to office). She will join office next day, will be free at 1500 hrs, and will not be able to catch the flight IT3347 (as she does not have 2.5 hrs for commuting and airport). Thus she will wait for one more day and will catch it next evening, in total more than 2 days.</p> |
| 3. | 5 | |
| 4. | 4 | |
| 5. | 2 | The Reason why teachers are unhappy is that they have to work on their weekly holiday and no |

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| | | <p>compensation is offered for the same. So the best way to reduce their unhappiness is to compensate them with a compensatory holiday or some remuneration, which is the best alternative given in option B. Option 1 is inappropriate as introducing separate music and dance competitions in same format as the elocution competition will add to teacher's load and agony. Appointing a committee of teachers, parents and management representatives to come up with possible suggestions within a deadline may not help in the long run and also may have an adverse effect on the school's image. Option 4 is farfetched as imposing or forcing upon one's ideas may result in resentment amongst teachers. So, the most relevant option will be option 2.</p> |
| 6. | 2 | <p>Exposing Mr. Ivan's intentions will not reduce the teacher's unhappiness. Also Option 3 is irrelevant as Introducing music and dance competitions in same format as elocution competition will not be an effective solution to the problem, instead will add on to the burden of the teachers, who will have to work extra. Also, we need to understand the actual cause of the teacher's unhappiness is that they are made to work extra for the event. So to reduce this possible alternatives are present in Option 2</p> |

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| 7. | 3 | <p>The criteria Mr. Dev and his family are looking for are:</p> <p>a) Long term service and trustworthy</p> <p>b) Age and experience.</p> <p>Based on this Mr. Dev would like to recruit Bal Singh. So, option 3 is appropriate.</p> |
| 8. | 1 | <p>The criteria Mr. Dev is looking for are: a) Long term service and trustworthy and His family is looking for a) Age and experience. These criteria are met in option 1 only. Option 2 is ruled out because Chintan satisfies the condition family is looking for so can't be least preferred. Similarly Bal Singh can't be rejected by HR as he has experience.</p> |
| 9. | 1 | <p>Criteria G.M (H.R) is looking for is that the new driver does not lead to discontent among the senior employees of the firm. Looking into the case provided, Ram Singh was criticized by senior employees as he provided information about competitors to DEV. And since Chethan is also working with the competitor, hence may create similar discontent among senior employees.</p> |
| 10. | 4 | <p>It was decided that no two officers would hold positions on the same committee and sufficient action is required to be taken against Chaitanya Rao and Ajit Singh. But the flaw here is that these two people have been only nominated, but not yet appointed. Hence Option 4 is correct.</p> |

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| 11. | 5 | The decision has been taken that “no two members can hold positions on the same committee” so only one can stay in each committee. Hence option 5 is correct. |
| 12. | 4 | Statement 1 cannot be concluded definitely - as we are not sure that the two competitors share has reduced by 10 % jointly or individually. Also there can be other players in the market too. It is also possible that the market share of Baft and Hebe has not declined but some 3 rd players share has reduced. |
| 13. | 2 | <p>To deal with the customers: the best alternative from the available options is 2. Option 1 can be ruled out because the customers have no incentive to wait.</p> <p>Option 3. Is not feasible as there is unrest in Indian plant. Option 4 will not bring customer satisfaction, as paying higher to top management of Indian market will not serve any faster production of cars in India.</p> <p>Option 5. Manufacturing essential components in either or China or India is not feasible as there is unrest in the Indian supplier plants (given in the case).</p> |
| 14. | 2 | “To maximize cash flow”, Mr. Ahmed Should collect atleast 50 % in advance and the rest after the confirmation of launch date. Which is option 2? Correct choice |

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| | | In Option 3, If Mr. Ahmed collects the amount Mr. Murugan is willing to deposit there is no guarantee that he will deposit 50% of the cost of the vehicle. Hence ruled out. Option 4 and 5 will not maximize the dealer's profit. |
| 15. | 5 | To receive a positive response to Mr. Shiv rescheduling, he could have got a participative style and involve everyone in the decision making and show them with facts and figures about the feasibility of the plan. |
| 16. | 5 | The immediate problem was lack of communication and co-ordination due to non-participatory style. Hence Option E. |
| 17. | 4 | Best strategy is to make and fix schedules and responsibilities within existing resources and if need hire new recruits on ad hoc basis. |
| 18. | 2 | The passage does not talk of younger members finding themselves unable to work with seniors. |
| 19. | 1 | Best way to deal was to fix accountability and responsibility on existing members. Hence option 1 is correct. In option 2, we can't be sure that only new team would help in growth. In option 3, an external consultant may not understand the intricacies of the problem, hence not feasible. So best strategy was to have a participatory style of management. |
| 20. | 5 | In order to make the ERP a success, a team comprising of experts with relevant experience in |

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| | | <p>technical area and people who know the processes/ operations would be required. So Option E is appropriate. Option 1 would be inappropriate as a mixture of experienced employees and newly graduated employees would not necessarily be of help to implement the Erp package as there is no mention of their expertise in the technical and the process areas. Also, the use of "only" in option 2, makes it inappropriate as education in top colleges does give us a required amount of knowledge but experience in also required. Similarly, sufficient number of people who are networked with powerful stakeholders in the organization may not be helpful in implementing the ERP process.</p> |
| 21. | 5 | <p>Option 1 can be ruled out as it is against the definition</p> <p>Option 2 is NOT valid as we can't say to WHAT EXTENT he is totally ethical or unethical.</p> <p>Option 3 can be ruled out as we are not talking of what suits him .Not in lines with definition</p> <p>Option 4 "some extent" is subjective and relative term, hence ruled out.</p> <p>Option 5 is correct, as he cannot survive by not inflating the prices and goes well with the definition given.</p> |
| 22. | 2 | <p>With reference to the definition. Selling inferior good is unethical. So, option 2 is appropriate.</p> |

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| 23. | 1 | As Naresh wanted to speak out as a witness but was pressurised by Srikumar and other contractors not to, and as a result he did not speak. This implies that Srikumar is immoral, but ethical, while Naresh is not unethical |
| 24. | 3 | <p>The new GM proposes changes in parameters for offering salary, i.e. Collection of information about competitors and quality of relationship with retailers.</p> <p>So, Manohar would probably refuse because he is not clear about the weightage of each parameter that would decide his salary. Hence Option 3.</p> <p>Option 1 is ruled out because there is no talk about his position in the Company.</p> <p>Option 2 and 4 can be ruled out because we can't certainly say that he is not interested in collecting information or maintaining quality.</p> <p>Option 4, is ambiguous because we can't say that he is not working hard to achieve sales.</p> |
| 25. | 5 | Top management refuses to implement from "next month" because it is too short period to get consensus from all. Hence option 5. |

Actual Decision Making Questions 2013:

DIRECTIONS for questions 1 to 2: Answer on the basis of the information given in the following case.

Island of Growth was witnessing a rapid increase in GDP. Its citizens had become wealthier in recent times, and there had been a considerable improvement in the standards of living. However, this rapid growth had increased corruption and nepotism in the Island. In the recent times, a fear had gripped the population that corruption would destroy the inclusive nature of the society and hinder economic progress. However, most citizens had kept quiet because:

1. they had benefitted from the corruption indirectly, if not directly.
2. they did not have the time and energy to protest.
3. they did not have courage to rise against the established power centers.

There was a need to remove corruption but no one was willing to stick his neck out. Many politicians, bureaucrats and private organizations were corrupt. Media and intellectuals kept quiet, as they benefitted indirectly from corruption. The common man was scared

of state's retribution and the youngsters feared insecure future.

Against this background, an old, unmarried and illiterate gentleman of high moral and ethical authority, Shambhu, decided to take on the issue of corruption. He sat on a hunger strike in the heart of the capital city of the Island. Shambhu demanded that the Government should constitute new laws to punish the corrupt across all walks of life. Media and the citizens of the island gave massive support to Shambhu. Buckling under the pressure, the Government promised to accept Shambhu's demands. He ended the hunger strike immediately following the Government's announcement. Shambhu became the darling of the media. He used this opportunity as a platform to spread the message that only citizens with an unblemished character should be allowed to hold a public office.

A few months later, it was found that the Government had not fulfilled any of its promises made to Shambhu. Infuriated, he was thinking of launching another island-wide protest. However, this time, he sensed that not many people and media persons were willing to support him.

1. Read the following statements:
 - A. People's latent anger against corruption
 - B. Shambhu's moral courage
 - C. Hungry media looking to raise issues.
 - D. Rising income level

In your opinion, which combination of the above statements is the most *unlikely* reason for Shambhu's initial success?

1. A,B,D 2. C,D 3. A,C 4. A,C,D 5. A,B,C,D

2. Which of the following could be the most likely reason for decline in public support for Shambhu?
 1. The common man had become sick and tired of Government's inaction against rising corruption.
 2. Shambhu was old and he lacked the energy to garner the same support that he enjoyed from the media and the public in the initial stages.
 3. The general public may have realized that Shambhu was focusing too much on "indirect involvement" in past incidences of corruption. Common men found it difficult to live up to the high standards set by Shambu.

4. Shambhu's colleagues were misleading him.
5. Shambhu came from a village, while most of his supporters were city dwellers.

DIRECTIONS for questions 3 to 5: *Read the following caselet and choose the best alternative for the questions that follow.*

Head of a nation in the Nordic region was struggling with the slowing economy on one hand and restless citizens on the other. In addition, his opponents were doing everything possible to discredit his government. As a famous saying goes, "There is no smoke without a fire", it cannot be said that the incumbent government was doing all the right things. There were reports of acts of omission and commission coming out every other day.

Distribution of public resources for private businesses and for private consumption had created a lot of problems for the government. It was being alleged that the government has given the right to exploit these public resources at throw-away prices to some private companies. Some of the citizens were questioning the government policies in the Supreme Court of the country as well as in the media, in the midst of all this, the head of the nation called his cabinet colleagues for a meeting on the recent happenings in the country.

He asked his minister of water resources about the bidding process for allocation of rights to set-up mini-hydel power plants. To this, the minister replied that his ministry had followed the laid out policies of the government. Water resources were allocated to those private companies that bid the highest and were technically competent. The minister continued that later on some new companies had shown interest and they were allowed to enter the sector as per the guidelines of government. This, the minister added, would facilitate proper utilization of water resources and provide better services to the citizens. The new companies were allocated the rights at the price set by the highest bidders in the previous round of bidding. After hearing this, the head of the nation replied that one would expect the later allocations to be done after a fresh round of bidding. The minister of water resources replied that his ministry had taken permissions from the concerned ministries before allocating the resources to the new companies.

3. Media reports suggested that the minister of water resources had deliberately allocated the water resources at old prices to the new companies, and in return some received kickbacks. However, the minister denied these charges. His counter

argument was that he followed the stated policies of the Government and it is very difficult to price a scarce resource. He also said that the loss that the media is talking about is notional and in reality the Government and the citizens have gained by the entry of new players. Which of the following is the most appropriate inference?

1. If benefit to the citizens is higher than notional losses then it is not unethical.
 2. If benefit to the citizens is lower than notional losses then it is unethical.
 3. If benefit to the citizens is higher than actual losses then it is not unethical.
 4. If benefit to the citizens is lower than actual losses then it is unethical.
 5. All of the above A, B, C and D are inappropriate.
4. Subsequently, the minister questioned the role of the media in the whole affair. He said that the media cannot act like a reporter, prosecutor and judge at the same time. Mr. Swamy, an independent observer, was asked about appropriateness of the minister's opinion. What should be Mr. Swamy's reply?

1. Media has been rightly accused by the minister.
 2. Minister's statement may be factually incorrect.
 3. Media has rightly accused the minister.
 4. Media has wrongly accused the minister.
 5. None of above
5. Looking at the public unrest and discontent, the Government's anti-corruption branch was entrusted with the task of investigating the matter. Within a week's time the branch charge- sheeted top corporate managers and the minister for wrong doings. Mr. Swamy was again asked to identify the T guilty. Who should Mr. Swamy pick?
1. Only corporate managers.
 2. Only the minister.
 3. Only the Head of the nation.
 4. All of the above.
 5. None of the above.
6. Over the last five years, Bank of Bharat has seen the number of its retail customer accounts drop by over 40 percent. Over the same period, the share price of Bank of Bharat has increased by more than

80 percent. This amazed a few investors, who believe that a bank's share price should drop if its number of customers drops.

Which of the following, if true over the last five years, best accounts for the observed movement in the price of Bank of Bharat's equity shares?

1. Two years ago Securities and Exchange Board started an investigation on the bank for accounting irregularities, but last year the company was cleared of all charges.
2. The bank recently implemented a highly publicized program for free home loans.
3. The bank has been switching its customer base from retail customers to commercial customers, which now accounts for over 75 percent of the bank's revenues.
4. There have been many new banks, which have entered retail banking business over the last five years.
5. The bank is known to be the best paymaster in the industry.

7. Gastric bypass surgery has been shown to be effective at helping extremely obese people lose weight. Some patients have lost as much as 300 pounds after undergoing the surgery, thereby substantially prolonging their lives. Despite the success of the treatment, most doctors have not embraced the surgery.

Which of the following statements, if true, best accounts for the lukewarm reaction of the medical community to gastric bypass surgery?

1. Gastric bypass surgery carries a high risk of serious complications, including death.
2. Obesity is one of the leading contributors to heart disease and hypertension, two leading causes of death.
3. Incidences of obesity among the Indian urban middle class population have been increasing consistently for the last three decades.
4. Many patients report that losing weight through diets is ineffective, since they usually gain the weight back within six months.;

5. Most health insurance plans will cover the cost of gastric bypass surgery for morbidly obese patients at high risk of heart disease.

DIRECTIONS for question 8 to 11: *Read the following caselet and choose the best alternative for the questions that follow.*

The BIG and Colourful Company

You are running "BIG and Colourful (BnC)" company that sells books to customers through three retail formats:

1. You can buy books from bookstores,
2. You can buy books from supermarket,
3. You can order books over the Internet (Online).

Your manager has an interesting way of classifying expenses: some of the expenses are classified in terms of size: Big, Small and Medium; and others are classified in terms of the colors, Red, Yellow, Green and Violet. The company has a history of categorizing overall costs into initial cost* and additional costs. Additional costs are equal to the sum of Big, Small and Medium expenses. There are two types of margins, contribution (sales minus initial costs) and profit (contribution minus

additional costs). Given below is the data about sales and costs of BnC:

| | |
|---|--------------|
| Sales | 60000 |
| Initial Costs | 39000 |
| Contribution (Sales - Initial Costs) | 21000 |
| Additional Costs | |
| Big | 9300 |
| Small | 3000 |
| Medium | 3500 |
| | 15800 |
| Profit (Contribution -Additional Cost) | 5200 |

Each of the Big, Small and Medium cost is categorized by the manager into Red, Yellow, Green and Violet costs. Breakdown of the additional costs under these headings is shown in the table below:

| Expenses | Total | Red | Yellow | Green | Violet |
|-----------------|--------------|------------|---------------|--------------|---------------|
| Big | 9300 | 5100 | 1200 | 1400 | 1600 |
| Small | 3000 | | 400 | 2000 | 600 |
| Medium | 3500 | 400 | 1500 | 1400 | 200 |
| Total | 15800 | 5500 | 3100 | 4800 | 2400 |

Red, Yellow, Green and Violet costs are allocated to different retail formats. These costs are apportioned in the ratio of number of units consumed by each retail format. The number of units consumed by each retail format is given in the table below:

| Retail Format | Red | Yellow | Green | Violet |
|---------------|-----|--------|-------|--------|
| Online | 200 | 50 | 50 | 50 |
| Supermarket | 65 | 20 | 21 | 21 |
| Book Store | 10 | 30 | 9 | 9 |
| Total | 275 | 100 | 80 | 80 |

8. Read the following statements:

Statement I: Online store accounted for 50% of the sales at BnC and the ratio of supermarket sales and book store sales is 1:2.

Statement II: Initial Cost is allocated in the ratio of sales.

If you want to calculate the profit/loss from the different retail formats, then

1. Statement I alone is sufficient to calculate the profit/loss.
2. Statement II alone is sufficient to calculate the profit/loss.

3. Both statements I and II are required to calculate the profit/loss.
4. Either of the two statements is sufficient to calculate the profit/loss.
5. Neither Statement I nor Statement II is sufficient to calculate the profit/loss.

DIRECTIONS for questions 3 to 11: Based on your answer to the above question, answer for the questions that follow.

9. What is the profit/loss from "online" sales?
1. 0 2. -310 3. + 20 4. + 450
5. Cannot be determined from given information
10. Which retail format is least profit making for B n C?
1. Online
2. Supermarket
3. Book Store
4. All formats are loss making.
5. All formats are profit making.
11. Which retail format gives the highest profit for BnC?
1. Book Store

2. Supermarket
3. Online
4. All are equally profitable.
5. Cannot be determined from given information.

DIRECTIONS for questions 12 to 13: *Read the following caselet and choose the best alternative for the questions that follow.*

A teacher wanted to administer a multiple choice (each question having six choices) based quiz of high difficulty level to a class of sixty students. The quiz had sixty questions. The probability of selecting the correct answer for a good student and a brilliant student was 0.2 and 0.25 respectively. The poor students had no learning advantage. The teacher did not want students to cheat but does not have time and resources to monitor. All students were seated serially in 10 rows and 6 columns.

- 12.** Is it possible for the teacher to detect cheating without monitoring? Choose the statement that best describes your opinion:
1. It is not at all possible; teacher will have to introduce technology if there is no human support.
 2. It is always possible; but teacher has to calculate the exact answer.

3. It is possible when many students sitting next to each other have the same incorrect answers for multiple questions. However, there can be a small error in judgment.

4. It is possible when many students sitting next to each other have the same correct answers for multiple questions. However, there can be a small error in judgment.

5. It is possible only for poor students but not for good and brilliant students. However, there can be a small error in judgment.

- 13.** Three good students were seated next to each other. What is the probability of them having the same incorrect choice for four consecutive questions?

1. $256/390625$

2. $256/3125$

3. $4/3125$

4. $1/3125$

5. Cannot be calculated

- 14.** Students from four sections of a class accompanied by respective class teachers planned to go for a field trip. There were nineteen people in all. However, on the scheduled day one of the four teachers and a few students could not join the rest.

Given below are some statements about the group of people who ultimately left for the trip.

I: Section A had the largest contingent.

II: Section B had fewer students than Section A.

III: Section C's contingent was smaller than Section B.

IV: Section D had the smallest contingent.

V: The product of the number of student from each section is a multiple of 10.

VI: The number of students from Section C is more than 2.

VII. The product of the number of students from each section is a multiple of 24.

VIII. The largest contingent has more than 4 students. IX: Each section contributed different number of students

The statements that taken together can give us the exact number of students from each section:

1. I, II, III, IV, VI

2. I, VI, VIII, IX

3. I, II, III, IV, V, VI

4. I, II, III, IV, VII

5. I, IV, VI, VII, IX

15. There is a lot of interest in the first five ranks for Class XI students. One student guessed the rank order as Ankita, Bhagyashree, Chanchal, Devroopa and Esha. Later upon announcement of the results, it was found that not only did he get each student out off her true position, none of the students in his ranking correctly followed her immediate predecessor. Another student guessed Devroopa, Ankita, Esha, Chanchal and Bhagyashree. Even his guess was wrong. It was found that he had got two positions correct, and two students in his ranking correctly followed their immediate predecessors. Which of the following is true about the correct rank order?

1. Ankita got the third position
2. Bhagyashree got the fourth position
3. Chanchal got the second position
4. Devroopa stood first
5. Esha got the fourth position

DIRECTIONS for questions 16 to 18: Read the following caselet and choose the best alternative for the questions that follow.

Marathe is a Vice President in a construction equipment company in the city of Mumbai. One day, his subordinate Bhonsle requested that Kale, a project manager, be transferred to the Chennai office from the Mumbai office. In Chennai, Kale would work alone as a researcher. Bhonsle gave the following reasons for his request: *"Kale is known to frequently fight with his colleagues. Kale is conscientious and dedicated only when working alone. He is friendly with seniors, but refuses to work with colleagues, in a team. He cannot accept criticism and feels hostile and rejected. He is over-bearing and is generally a bad influence on the team"*

Marathe called upon Gore, another project manager, and sought further information on Kale. Gore recalled that a former colleague, Lakhote (who was also Kale's former boss) had made a few remarks on his appraisal report about Kale. In his opinion, Kale was not fit for further promotion as he was emotionally unstable to work in groups though he had seven years of work experience. Lakhote had described Kale as too authoritative to work under anyone. Lakhote had further told Gore that Kale had an ailing wife, and an old mother, who does not want to stay with his wife.

16. Consider the following solutions to the problem mentioned above:

- A. Marathe should transfer Kale to Chennai office
- B. Marathe should try and verify the facts from other sources as well
- C. Kale should be sacked
- D. Kale should be demoted
- E. Marathe should suggest Kale to visit a family counselor

Which of the following would be the most appropriate sequence of decisions in terms of immediacy: starting from immediate to a longer term solution?

- 1. B, A, E 2. A, D, E 3. B, C, D
- 4. B, E, A 5. B, E, D

17. Marathe sought an appointment with Lakhote to find out ways to help Kale. Lakhote is of the opinion that the company's responsibility is restricted to the workplace and it should not try to address the personal problems of employees. If Marathe has to agree to Lakhote's opinion, which

of the solutions presented in the previous question would be weakened:

1. 1 2. 2 3. 3 4. 4 5. 5

18. Which of the following statements, if true, would weaken the decision to sack Kale the most?

1. A Government of India study established that employees with 5-10 years of work experience tend to have conflicting responsibilities at home and office. However, these conflicts wither away after 10 years of experience.

2. Another article published in the magazine, Xaviers Quarterly, highlighted that employees' problems at home affect their performance at work

3. In the latest issue of a reputed journal, Xaviers Business Review, it was published that most top managers find it difficult to work in a group.

4. It was published in Xaviers Management Review (another reputed journal) that individuals who cannot work in teams find it difficult to adjust to a new location.

5. Bhonsle was of the opinion that emotionally unstable persons find it difficult to get back to normal working life.

DIRECTIONS for questions 19 to 21: Read the following caselet and choose the best alternative for the questions that follow.

It was the end of performance review cycle for the year 2012 when you asked your subordinates about any problems they were facing. Natrajan told you that an important member of his team, Vardarajan, who had also won the best performance award for the year 2011, was not taking interest in work. Despite Natrajan's counseling, no change was noticed in Vardarajan, rather his attitude deteriorated. You had also received such information from other employees. You had not interfered hoping that Natrajan, an experienced hand, would be able to solve the problem. But now that Natrajan himself brought this to your notice, you decided to call Vardarajan and counsel him.

19. Which of the following could be the most *unlikely* reason for Vardarajan's declining involvement in the workplace?

1. Vardarajan does not find the work challenging enough as he has already achieved the best performance award.
2. Others in the organization have been trying to pull him down, since he was declared best performer.
3. Vanlarajan was not promoted after his superlative performance, while another colleague, Sundararajan, was promoted although he was not as good a performer as Vardarajan.
4. After putting in lots of effort for the superlative performance, Vardarajan felt burnt out.
5. Vardarajan was appreciated by his bosses for his achievement last year

- 20.** Vardarajan did not find his work challenging enough, given below are some steps that could be taken to motivate him:
- A. Give Vardarajan a more challenging assignment
 - B. Transfer Vardarajan from Projects department to Training department
 - C. Ask him to take a vacation for two months

D. Send him for further training on decision making under stress

1. A, B, C

2. A, C, D

3. A, D

4. B, C D

5. A, B, C, D

21. You overheard a conversation between Vardarajan and his colleague over an official dinner. He expressed his unhappiness about the fact that good performers were not given their due credit while poor performers were promoted faster. If Vardarajan is right, which of the following steps would help in creating a better organization?

1. Promote Vardarajan with immediate effect.

2. Ensure that performance is objectively and transparently assessed.

3. Give another assignment to Vardarajan.

4. Give higher salary to Vardarajan.

5. Fire Vardarajan.

DIRECTIONS for questions 22 to 25: Read the following caselet and choose the best alternative for the questions that follow.

Prof. Vijya, the chairperson of the Faculty Academic Committee (FAC), was trying to understand the implications of decisions taken by the Student Placement Committee (SPC) on placement issues.

It was alleged that Biswajit, a final year student, inflated his grades in his bio-data that was sent to the recruiters. The President of SPC requested the FAC to debar Biswajit from the campus recruitment process. When the matter was brought up for discussion in FAC, one of the professors remarked that Biswajit too should be allowed to defend himself. When Biswajit arrived for the meeting the situation became even more challenging.

Biswajit raised the issue that many other students who had misrepresented grades to get coveted jobs had gone scot-free. He alleged that these students were close to the President of SPC and therefore, no action was taken against them. He stated that somebody has deliberately manipulated his grades in the bio-data.

This allegation confused the members and it was decided to adjourn the meeting. Vijya was to decide on the next course of action.

22. If you were Vijya what in your opinion would be the most appropriate action?
1. Debar Biswajit and the President of SPC from the placement process as they have failed to uphold the rules of the SPC.
 2. Suspend Biswajit and the President of SPC.
 3. Constitute a fact finding committee to investigate the matter and ask them to submit a report to you within a week's time.
 4. Apprise the corporate recruiters of the situation and assure them that corrective actions will be taken.
 5. Both options C and D.
23. It was found that a large section of the students have been indulging in such practices. Unfortunately, the HR manager of a much coveted campus recruiter, who is an alumnus of the college came to know about this. Considering yourself in the position of that HR manager, what I would be your reaction?
1. Express your displeasure and stop any further recruitment from the college.

2. Talk to your contact in the college and try to find out the truth.
3. Do not change anything and continue the process as if nothing has happened.
4. Ask the college to send a fresh set of bio-data as you wanted verified grades of the students.
5. Ask the SPC to resend the details of the short-listed students including their verified grades.

24. As a potential entrant you are having an informal Facebook chat with one of the college seniors. You wanted to know about the pay packages of the graduating students. The senior replied that one will be able to understand this only after joining the college. He did not reveal any information but suggested that it is not very difficult to get a high salary job as you have already started networking. He also cautioned that you should not believe any rumors and you should directly contact the student body for any further information. What will be your most appropriate choice for seeking further information about placements?

1. This conversation will increase your interest and you will network more with the students of the

college for increasing your chances of getting a high salary job.

2. You will contact the college authorities to get more insights about the placement process.

3. You will start networking with the HR managers to understand their requirements.

4. You will try to contact the President of SPC

5. You will contact your other Facebook friends to find out about the placement activities at the campus

- 25.** Vijya found that there were many such cases of grade inflation. She was giving final touches to the report when her attention was diverted by a phone call on her personal cell phone. It was from an unlisted number. The caller conveyed to her that it will be in her interest as well as in the interest of the college if the report is not presented to the Director. The caller also told her these findings will change nothing only result in bad publicity for the college. The caller identified himself as a well-wisher of the college before hanging up. Consider yourself in Vijya's position and choose an appropriate decision from the following choices.

1. Disregard the phone call and do not share its details with others.
2. Understand the implications of the phone call and apply Fora leave.
3. Call up the Director, tell him about the phone call, and excuse yourself from the responsibility.
4. Talk to the Director and seek his opinion.
5. Constitute a different committee to investigate the "phone call" and carry on with normal activities.

Answer Key Actual Decision Making Questions 2013:

| Q. | Key | Explanations |
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| 1. | B | Statement 1 & 2 were actually the reasons for fight against corruption. Media swung into action after Shambhu decided to sit on for a hunger strike. Statement 4 is not highlighting the category of people whose incomes are rising. Answer is B. |
| 2. | C | It could be one of the reasons for the public not showing support. The common man had become sick or fed up by the corruption in the society that is why people supported Shambhu. So there is no chance that because of option 1 people did not support Shambhu. Had the option 2 been true, Shambhu would not have thought of starting agitation all over again. There is no mention of Shambhu's colleagues misleading him so option 4 is also rejected. During first agitation Shambhu belonged to rural area and his supporters were primarily from the 'Island of growth' so there is no point that due to city- urban divide the agitation this time did not pick up so option 5 is also rejected. Answer is C. |
| 3. | E | Whether the scheme was beneficial for the public or not but if it based on unethical principles then no logical justification can justify the goodness of the scheme. Answer is E. |
| 4. | B | 'There cannot be smoke without fire' as stated by |

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| | | the opposition party members so it is highly likely that Mr. swamy will also criticize the ruling party. Answer is B. |
| 5. | B | As per the conditions/ situation given Mr. swamy is likely to pick only the minister because media and the opposition party were able to point out the flaws in policies pertaining to resources allocation to the private companies. Answer is B. |
| 6. | C | The assumption made by the author is that there is strong and positive correlation between the increase in number of customers catered by the firm and increase in prices of the share of the firm. However, the rise in equity share of Bank of Bharat will be due to the switching of its customer's base to Commercial customers, like FII (foreign institutional investors) & HNI (High net worth individuals) because of their huge investment base that helps the bank to increase its price of shares, also as compared to these customers, the retail customers do not invest huge amount of capital ,and thus are not the sole indicators that determine the credibility of the ban. Answer is C. |
| 7. | A | The question suggests the use of Gastric Surgery that helps the obese to loose weight. However, as only "some" patients have managed to loose weight, this implies that the effect has not been 100% and the after effects of the surgery may vary from individuals to individuals. As the response of |

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| | | the medical fraternity has been lukewarm, so it is possible that the patients may suffer major side effects. Option 2 is not relevant as per the context. Also, option 3 is irrelevant as the question does not mention about the Indian urban middle class population. Since the question does not mention the response of the patients reporting that losing weight through diets is ineffective. So, option 4 is also irrelevant. Answer is A. |
| 8. | B | In order to find the profit /loss, we require the information about initial costs and the distribution of costs. As from statement I, we can find the distribution of sales of all the three retail formats. Now from statement II, the information about the initial costs is given and from the given tables, we already have the distribution of additional costs as well as the ratio of units consumed. So on combining both the statements, we can easily find the profit/loss of different retail formats. Answer is B. |
| 9. | D | <p>For Online :</p> <p>Sales = 50% of 60000 = 30000 (as given above)</p> <p>Initial costs = 50% of 39000 = 19500 (as given above)</p> <p>Contribution = 30000-19500 = 10500</p> <p>Additional costs :</p> $R = 5500 \times \frac{200}{275} = 4000, Y = 3100 \times \frac{50}{100} = 1550, G =$ |

| | | |
|-----|---|--|
| | | $4800 \times \frac{50}{80} = 3000, V = 2400 \times \frac{50}{80} = 1500$ <p>Total = 10050 Therefore, Profit = 10500 – 10050 = 450.</p> |
| 10. | B | <p>For Online :</p> <p>Sales = 50% of 60000 = 30000 (as given above) Initial costs = 50% of 39000 = 19500 (as given above) Contribution = 30000-19500 = 10500 Additional costs :</p> $R = 5500 \times \frac{200}{275} = 4000, Y = 3100 \times \frac{50}{100} = 1550, G =$ $4800 \times \frac{50}{80} = 3000, V = 2400 \times \frac{50}{80} = 1500$ <p>Total = 10050 Therefore, Profit = 10500 – 10050 = 450</p> <p>For Supermarket :</p> <p>Sales = 1/3 of 30000 = 10000 (as given above) Initial costs = 1/3 of 19500 = 6500 (as given above) Contribution = 10000-6500 = 3500 Additional costs :</p> $R = 5500 \times \frac{60}{275} = 1200, Y = 3100 \times \frac{20}{100} = 620, G =$ $4800 \times \frac{21}{80} = 1260, V = 2400 \times \frac{21}{80} = 630$ <p>Total = 3710 Therefore, Loss = 3710 – 3500 = 210</p> |

| | | |
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| | | <p>For Bookstore :</p> <p>Sales = $\frac{2}{3}$ of 30000 = 20000 (as given above)</p> <p>Initial costs = $\frac{2}{3}$ of 19500 = 13000 (as given above)</p> <p>Contribution = 20000-13000 = 7000</p> <p>Additional costs :</p> <p>$R = 5500 \times \frac{10}{275} = 200$, $Y = 3100 \times \frac{30}{100} = 930$, $G = 4800 \times \frac{9}{80} = 540$, $V = 2400 \times \frac{9}{80} = 270$</p> <p>Total = 1940</p> <p>Therefore, Profit = 7000 – 1940 = 5060</p> <p>So clearly Supermarket is making least profit, as it in loss.</p> |
| 11. | A | <p>For Online :</p> <p>Sales = 50% of 60000 = 30000 (as given above)</p> <p>Initial costs = 50% of 39000 = 19500 (as given above)</p> <p>Contribution = 30000-19500 = 10500</p> <p>Additional costs :</p> <p>$R = 5500 \times \frac{200}{275} = 4000$, $Y = 3100 \times \frac{50}{100} = 1550$, $G = 4800 \times \frac{50}{80} = 3000$, $V = 2400 \times \frac{50}{80} = 1500$</p> <p>Total = 10050</p> <p>Therefore, Profit = 10500 – 10050 = 450</p> <p>For Supermarket :</p> |

| | | |
|-----|---|--|
| | | <p>Sales = $\frac{1}{3}$ of 30000 = 10000 (as given above)</p> <p>Initial costs = $\frac{1}{3}$ of 19500 = 6500 (as given above)</p> <p>Contribution = 10000-6500 = 3500</p> <p>Additional costs :</p> <p>$R = 5500 \times \frac{60}{275} = 1200$, $Y = 3100 \times \frac{20}{100} = 620$, $G = 4800 \times \frac{21}{80} = 1260$, $V = 2400 \times \frac{21}{80} = 630$</p> <p>Total = 3710</p> <p>Therefore, Loss = 3710 – 3500 = 210</p> <p>For Bookstore :</p> <p>Sales = $\frac{2}{3}$ of 30000 = 20000 (as given above)</p> <p>Initial costs = $\frac{2}{3}$ of 19500 = 13000 (as given above)</p> <p>Contribution = 20000-13000 = 7000</p> <p>Additional costs :</p> <p>$R = 5500 \times \frac{10}{275} = 200$, $Y = 3100 \times \frac{30}{100} = 930$, $G = 4800 \times \frac{9}{80} = 540$, $V = 2400 \times \frac{9}{80} = 270$</p> <p>Total = 1940</p> <p>Therefore, Profit = 7000 – 1940 = 5060</p> <p>Clearly, Bookstore is making the highest profit</p> |
| 12. | C | <p>Since students sitting next to each other have marked same answers, thus we get 2 possibilities i.e.</p> <p>1. They have marked correct answers</p> |

| | | |
|-----|--|--|
| | | <p>2. They have marked incorrect answers</p> <p>Now, in case of correct answers, teacher cannot detect cheating, however, students would have cheated definitely if most of the closely seated students have same incorrect answers. Thus correct option is 3.</p> |
| 13. | | <p>Probability of the first student of the group of three getting incorrect answer of 1st question = $\frac{4}{5}$</p> <p>Probability of the second student of the group getting the same incorrect answer of 1st question as that of the first student = $\frac{4}{5} \times \frac{1}{5}$</p> <p>Probability of the third student of the group getting the same incorrect answer of 1st question as that of the first student = $\frac{4}{5} \times \frac{1}{5}$</p> <p>Therefore, the probability of all the three getting same incorrect answer of 1st question =</p> $= \frac{4}{5} \times \frac{4}{5} \times \frac{1}{5} \times \frac{4}{5} \times \frac{1}{5} = \frac{4^3}{5^5}$ <p>Hence, the probability of the four question = (probability of one question)⁴ (As all the question have equal probability)</p> <p>Hence Answer should be = $\left(\frac{4^3}{5^5}\right)^4 = \frac{4^{12}}{5^{20}}$.</p> |
| 14. | | <p>Here I, II, III, IV statements are required to know the strength of the class i.e. Strength order is A>B>C>D, also Strength of C is greater than 2 from</p> |

| | | |
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| | | <p>statement VI. From statement V, $A \times B \times C \times D = 10x$, which implies that one of A, B, C, D is 5. Taking the value of x from 1-11, we either get the less factors or the number of students come out to be same. When $x = 12$, we get the factors to be 2, 3, 4, 5. So these numbers satisfy the given statements and give us the strength of all the sections. Thus we require only first 6 statements to find the strength of the sections.</p> |
| 15. | A | <p>From 1st guess, the ranking is A, B, C, D, E but this ranking is wrong which means A doesn't precede B in correct ranking, B doesn't precede C, C doesn't precede D and D doesn't precede E</p> <p>From 2nd guess, the ranking is D, A, E, C, B but in this ranking 2 positions are correct and 2 students in ranking followed their immediate predecessors</p> <p>Now if we consider option 1 to be correct, it will imply that both A and E are at incorrect positions and out of B, C and D one more should be incorrect. Secondly, E will either come at position I or IV, because if it's on II, it will make 3 positions in 2nd guess correct, if it's on V it will negate the incorrectness of 1st guess.</p> <p>So we get two possible rankings i.e.</p> <p>E, D, A, C, B and D, C, A, E, B</p> <p>In first case, we have two predecessors at their correct positions according to 2nd guess but in 2nd case, only one predecessor is at their correct</p> |

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| | | position. Thus option A is correct. |
| 16. | A | By demoting or sacking kale will not solve the problem as person kept in place of kale may have same or different set of problems. Rest of options either will solve the problem or at least reduce the impact of the problem. Answer is A. |
| 17. | E | It is clear if company's responsibility is restricted to workplace only then Mara the should not tell Kale to visit family counsellor. Answer is E. |
| 18. | B | If there is correlation between problems at home and performance at work then there is no point in removing/sacking kale on behavioral grounds as he is also going through same. Option 1 is inappropriate as there is no mention of employees with greater work experience have conflicting responsibilities at home and office an how these conflicts wither away after 10 years of experience. Answer is B. |
| 19. | E | The most unlikely reason for Vardarajan's declining involvement in the workplace can be that had he been appreciated by his bosses for his achievement, he would have involved himself more at the workplace. Also, all the other options can be the most possible reasons for Vardarajan's declining involvement at work. Answer is E. |
| 20. | C | The simplest will be to give him more challenging assignment and let him prove himself .It would be advisable to Send him for further training on |

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| | | decision making under stress. By doing this, Vardarajan will be in a better position to handle stress and perform his duties at the same time. So, the most appropriate solutions to the problem will be A&D. Answer is C. |
| 21. | B | The duty of an organisation is to safeguard the interest of its employees One of the steps can be by making the process of assessment of performances transparent and attempt should be made to make the systemic changes in a positive direction option 1 is irrelevant as other employees may object and it would not be judicious to promote Vardarajan with immediate effect, despite of his complaints at work and deteriorated attitude towards his colleagues. Option 2 will not be the immediate solution to the problem .Option 4 is also irrelevant as there will be a lot of resentment amongst the staff. The company should take a call /make a decision of hiking vardarajan's salary only after making the process of assessment of performances transparent. Also, Firing Vardrajan will not suffice the purpose. Moreover, the company should always try to retain its employees. Answer is B. |
| 22. | D | The most appropriate actions will be to constitute a fact finding committee to investigate the matter and ask them to submit a report to you within a week's time and verify the key facts related to the |

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| | | case and Also apprise the corporate recruiters of the situation and assure them that corrective actions will be taken .Option 1 is inappropriate taking such a strong action will reflect the credibility of the Student Placement Committee (SPC). Also suspending both Biswajit and the President of SPC will not be a solution to the problem, instead it may result in adverse reactions from faculties and the students fraternity. Answer is E. |
| 23. | D | Option 1 is not the appropriate solution to the problem and may aggravate the problem further. Option 2 may be relevant but may not yield immediate and effective results. Option 3 will be the role of an HR, who will be cheating the company for his personal bias. Also, Option 5 will be inappropriate as the decisions taken by the Student Placement Committee (SPC) will not hold any credibility now after so many allegations and chances of the SPC presenting manipulated data will be high. Answer is D. |
| 24. | B | The most appropriate decision for seeking further information about placements should be contacting the college authorities to get more insights about the placement process. However, there cannot be better option than clearing things from the college authorities Option 1 is inappropriate as networking with more students of |

| | | |
|-----|---|---|
| | | <p>the college will not increase the chances of getting a high salary job ,also, networking with the HR managers to understand their requirements will be impossible as the colleges usually do not give the leverage to any student to interact directly with the HR department .This is possible only if they have been shortlisted and stand a fair chance to be the chosen one. So, option 3 will also be inappropriate. Contacting the president of SPC at this particular point may not be of an advantage. Option 5 may be of some help to a certain point but the most appropriate information regarding the placement activities at the campus will be furnished by the college authorities. So, the most appropriate step should be to contact the college authorities and get more insights about the placement process as it would be in a better position to deal with the problem at that point of time. Answer is B.</p> |
| 25. | E | <p>Giving up the responsibility of a task assigned because of an anonymous call should not be a strong reason for handing over or excusing yourself from the responsibility. As we are unsure of the genuinity and concern shown by the caller, so it would be an appropriate decision to continue with the work and get the team to investigate about the caller/call etc. Answer is E.</p> |

Actual Decision Making Questions 2014:

DIRECTIONS for questions 1 - 4: Read the following case-let and answer the questions that follow.

Krishna Reddy was the head of a pharmaceutical company that was trying to develop a new product. Reddy, along with his friend Prabhakar Rao, assessed that such products had mixed success. Reddy and Rao realized that if a new product (a drug) was a success, it may result in sales of 100 crores but if it is unsuccessful, the sales may be only 20 crores. They further assessed that a new drug was likely to be successful 50% of times. Cost of launching the new drug was likely to be 50 crores.

1. How much profit can the company expect to earn if it launches the new drug (suppose there are no additional costs)?
 1. 12 crores
 2. 10 crores
 3. 24 crores
 4. 11 crores
 5. 11.5 crores
2. Now, Reddy and Rao were in a quandary whether the company should go ahead and market the drug. They contacted Raj Adduri, a common friend for advice. Adduri was of the opinion that given the

risky nature of launch, it may be a better idea to test the market. Rao and Reddy realized test marketing would cost 10 crores. Adduri told them the previous test marketing results have been favorable 70% of times and success rate of products favorably tested was 80%. Further, when test marketing results were unfavorable; the products have been successful 30% of the times.

How much profit can the company expect to make if the product is launched after favorable test marketing results (assume there are no additional costs)?

- | | | |
|----------------|--------------|--------------|
| 1. 11.5 crores | 2. 10 crores | 3. 24 crores |
| 4. 13.8 crores | 5. 6 crores | |

3. What is the probability of product failure if Reddy and Rao decides to test market it?

- | | | |
|---------|----------------------|---------|
| 1. 0.21 | 2. 0.35 | 3. 0.14 |
| 4. 0.28 | 5. Can't be computed | |

4. If Rao and Reddy decides to launch the product despite unfavourable test marketing, how much profit can the company expect to earn?

- | | | |
|-----------------|-----------------|--------------|
| 1. -13.2crores | 2. -36.8 crores | |
| 3. -46.8 crores | 4. -16 crores | 5. 10 crores |

DIRECTIONS for questions 5 - 7: Read the following case-let and answer the questions that follow.

Ms. Banerjee, class teacher for 12th standard, wants to send teams (based on past performance) of three students each to district, state, national and international competition in mathematics. Till now, every student of the class has appeared in 100 school level tests. The students had following distribution of marks in the tests, in terms of "average" and "number of times a student scored cent per cent marks".

| Student | Average | Number of times a student scores cent per cent |
|---------|---------|--|
| 1 | 70 | 7 |
| 2 | 60 | 15 |
| 3 | 65 | 8 |
| 4 | 70 | 1 |
| 5 | 65 | 6 |
| 6 | 65 | 10 |
| 7 | 65 | 4 |
| 8 | 60 | 12 |
| 9 | 65 | 3 |
| 10 | 60 | 8 |
| 11 | 70 | 1 |
| 12 | 65 | 6 |
| 13 | 70 | 2 |

| | | |
|----|----|----|
| 14 | 60 | 20 |
| 15 | 65 | 5 |

Ms. Banerjee has carefully studied chances of her school winning each of the competitions. Based on in-depth calculations, she realized that her school is quite likely to win district level competition but has low chances of winning the international competition. She listed down the following probabilities of wins for different competitions. Prize was highest for international competition and lowest for district level competition (in that order).

| Competition | Probability of win |
|---------------|--------------------|
| District | 0.95 |
| State | 0.6 |
| National | 0.1 |
| International | 0.05 |

All the students are studying in the school for last twelve years. She wanted to select the best team for all four competitions (Ms. Banerjee had no other information to select students).

5. Which of three members should form the team for the International competition?
1. 4, 11, 14 2. 2, 8, 14 3. 1, 6, 12
4. 13, 14, 15 5. 1, 3, 4

6. Which of the following members should constitute the team for the district level competition?
1. 4, 11, 14
 2. 1, 4, 11
 3. 4, 5, 6
 4. 4, 11, 13
 5. Any team can win the competition
7. Ms. Banerjee has to select the team for national competition after she has selected the team for international competition. A student selected for international competition cannot be a part of national competition. Which is the best team for the national competition?
1. 1, 7, 4
 2. 8, 9, 10
 3. 2, 8, 14
 4. 3, 6, 1
 5. Any of remaining students, as it would not matter

DIRECTIONS for questions 8 - 39: Read the following question based on information that is provided.

8. The main issues of interpretation arising from the work of professionally trained anthropologists are that they are late in colonial/post-colonial trajectories, because professional training shapes their interpretations. However, within field of interest and training, their works are most thorough and systematic.

The best conclusion drawn from the above paragraph is analogous to:

1. Heisenberg uncertainty principle, which states that speed and position cannot be determined simultaneously.
2. Cultural relativism, which states that two or more than two cultures cannot be compared.
3. Personal relativism, which states that one should not study anthropological phenomenon for personal gains.
4. Conclusive relativism, which states that anthropologists should not knowingly color their findings.

5. Communicative relativism, which states that anthropologists should not be selective in communicating their findings.

9. Consider merit pay for teachers. Schools face constant pressure to change their management approaches to improve performance, which is usually assessed by standardized reading, math, and science scores. In most schools teachers' pay is determined by seniority, years of total teaching experience, and credentials. Pay is rarely based on performance, which is contrary to the belief among parents and private sector. Parents and business leaders lament that there are no carrots/sticks used to motivate teachers. Consequently, there has been greater push to implement some form of merit pay to improve the motivation.

Which of the following statements will disprove the claim of the parents and business leaders?

1. A recent study suggested that teachers are self-motivated.
2. Teachers are largely motivated, by financial incentives; so pay for performance will induce greater and more effective effort.

3. Learning cannot be measured reliably and accurately by a test given once a year.

4. Teaching is a solo-activity, there is a little interdependence with other co-curricular and extra curricular activities in the school.

5. To err is human. And hence *stick* should be used to reduce errors.

10. In a new study by Harvard School of Public Health (HSPH), researchers explored how caffeine can serve as a "mild anti-depressant". They concluded that "drinking several cups of coffee daily appears to reduce the risk of suicide". Data pulled in from three large studies in the US showed that the suicide risk of those who drank two to four cups of caffeinated coffee a day was about half of those who drank decaffeinated coffee or very little or no coffee. In the studies, a respondent's caffeine consumption was assessed every four years through a questionnaire. The respondents were all adults, and the study was published online. The authors, however, cautioned the public from increasing coffee intake as it could result in "unpleasant side effects". "Overall, our results suggest that there is little further benefit for

consumption above two to three cups/day or 400 mg of caffeine/day," wrote the researchers. The authors observed that there was no major difference in suicide risk for adults who drank two to three cups a day from those who drank four cups or more.

Which of the following shaped graph would best capture the above paragraph (x-axis represents "coffee intake" and Y-axis represents "suicidal tendency")?

1. A straight line
2. Saw tooth curve
3. S shaped curve
4. U shaped curve
5. L shaped curve

11. A group of nine runners will finish the 400 meters race in a certain order. The runners are: Ashok, Benjamin, Chetan, Divya, Eshant, Faneesh, Girish, Himani, and Irravaty. They all finish at different times, and their finishing order is as follow:

- Faneesh finishes before Ashok.
- Divya finishes before Benjamin and Eshant.
- Irravaty finishes after Chetan.

- Girish finishes after Ashok.

Which is the best position Girish can finish?

- | | | |
|-----------|-----------|----------|
| 1. First | 2. Second | 3. Third |
| 4. Fourth | 5. Fifth | |

DIRECTIONS for questions 12 - 14: Read the following case-let and answer the question that follows.

Rajinder Singh was 32 years old from the small town of Bathinda, Punjab. Most of the families living there had middle class incomes, with about 10% of the population living below the poverty level. The population consisted of 40 percent small traders, 30 percent farmers, besides others. Rajinder liked growing up in Bathinda, where people knew and cared about each other.

Even as a youngster it was clear that Rajinder was smart and ambitious. Neighbors would often say, "Someday you're going to make us proud!" He always had a job growing up at Singh's General Store - Uncle Balwant's store. Balwant was a well-intentioned person. Rajinder loved being at the store and not just because Balwant paid him well. He liked helping customers, most of who were known by the nicknames. Setting up displays and changing the merchandise for different seasons and holidays was always exciting. Uncle Balwant had one

child and off late, his interest in business had declined. But he had taught Rajinder 'the ins and outs of retailing'. He had taught Rajinder everything, including ordering merchandise, putting on a sale, customer relations, and keeping the books.

The best part about working at the store was Balwant himself. Balwant loved the store as much as Rajinder did. Balwant had set up the store with a mission to make sure his neighbors got everything they needed at a fair price. He carried a wide variety of goods, based on the needs of the community. If you needed a snow shovel or piece of jewelry for your wife, it was no problem - Singh's had it all. Rajinder was impressed by Balwant's way of handling and caring for customers. If somebody was going through "hard times", Balwant somehow knew it. When they came into the store, Balwant would make them feel comfortable, and say something like, "you know Jaswant, let's put everything on credit today". This kind of generosity made it easy to understand why Balwant was loved and respected throughout the community.

Rajinder grew up and went to school and college in Bhathinda. Later on, he made it to an MBA program in Delhi. Rajinder did well in the MBA course and was goal

oriented. After first year of his MBA, the career advisor and Balwant advised Rajinder for an internship at Bigmart. That summer, Rajinder was amazed by the breadth and comprehensiveness of the internship experience. Rajinder got inspired by the life story of the founder of Bigmart, and the values the founder held. Bigmart was one of the best companies in the world.

The people that Rajinder worked for at Bigmart during the internship noticed Rajinder's work ethic, knowledge, and enthusiasm for the business. Before the summer ended, Rajinder had been offered a job as a Management Trainee by Bigmart, to start upon graduation. Balwant was happy to see Rajinder succeed. Even for Rajinder, this was a dream job - holding the opportunity to move up the ranks in a big company. Rajinder did indeed move up the ranks quickly, from management trainee, to assistant store manager, to store manager, to supervising manager of three stores, to the present position - Real Estate Manager, North India. This job involved locating new sites within targeted locations and community relations.

One day Rajinder was eagerly looking forward to the next assignment. When he received email for the same, his world came crashing down. He was asked to identify

next site in Bhathinda. It was not that Rajinder didn't believe in Bigmart's expansion. What was printed in the popular press, especially the business press, only reinforced Rajinder's belief in Bigmart. An executive viewed as one of the wisest business persons in the world was quoted as saying, "Bigmart had been a major force in improving the quality of life for the average consumer around the world, offering great prices on goods, giving them one stop solution for almost everything." Many big farmers also benefitted as Bigmart's supply chain facilities helped reducing the waste. Consumers also benefitted through low prices, as middlemen were removed. At the same time, Rajinder knew that opening a new Bigmart could disrupt small businesses in Bhathinda. Some local stores in small towns often went out of business within a year of the Bigmart's opening.

In Bhathinda, one of those local stores was Singh's, now run by Balwant's son, although Balwant still came in every day to "straighten out the merchandise." As Rajinder thought about this assignment, depression set in, and nightmares followed. Rajinder was frozen in time and space. Rajinder's nightmares involved Balwant screaming something - although Rajinder could not make

out what Balwant was saying. This especially troubled Rajinder, since Balwant never raised his voice.

Rajinder didn't know what to do - who might be helpful? Rajinder's spouse, who was a housewife? Maybe talking it through could lead to some positive course of action. Rajinder's boss? Would Bigmart understand? Could Rajinder really disclose the conflict without fear? Uncle Balwant? Should Rajinder disclose the situation and ask for advice? He wanted a solution that would make all stakeholders happy.

12. Who is the best person for Rajinder to talk to?

1. Wife
2. Boss
3. Let time take its own course
4. Balwant
5. His colleagues in the office

13. After deliberation with many people and a lot of research, Rajinder came across a study published in leading journal, which stated that most local farmers benefited because Bigmart bought agricultural produce directly from the farmers.

Which of the following actions would you prefer Rajinder to take, after he got this fresh information?

1. Since farmers benefit from Bigmart's presence, Rajinder should be happy with Bigmart's presence in Bhathinda.
2. Rajinder should undertake a new study to find out influence of Bigmart on local farmers.
3. Rajinder should see this as an opportunity to take concerns of local traders to the top management of Bigmart in India. It may help Bigmart to develop new solutions that can benefit Bigmart, retailers, farmers and consumers.
4. Quit job at Bigmart and start another big retail chain to compete with Bigmart.
5. Request his boss to transfer him to a new location, which has a low percentage of mom and pop stores. This would reduce Rajinder's discomfort.

14. Which is the right ascending order, in terms of proportion of population, benefitting from Bigmart, in and around Bhathinda?
1. Consumers, farmers, retailers
 2. Farmers, consumers, retailers
 3. Retailers, farmers, consumers
 4. Farmers, retailers, consumers
 5. Consumers, retailers, farmers

DIRECTIONS for questions 15 - 17: Read the following case-let and answer the question that follows.

Intercontinental Business Manufacturing (IBM) was doing a roaring business. Demand of the products was high and supply of raw-material was abundant. IBM was manufacturing three different products. Some customers bought two types of products and some bought only one. The three products were "quickie-quick", "run-of-the-mill", and "maxi-max". Customers were not complaining loudly.

Ram, the product manager, was confused! Demand for "quickie-quick" was increasing. Raw material suppliers wanted to supply lower quality at cheaper price. It was profitable for the company to increase production. Quality department was not happy with the product. Ram met Rahim, the CEO, who, as always, wanted higher

profits. He said that IBM will set up a committee for improving the quality.

15. What *must not* be done by Ram?

1. Only produce "quickie-quick" as it gives highest profits.
2. Increase the production for "quickie-quick" and ask the supplier for better quality raw material.
3. Maintain the level of production for "quickie-quick" and ask the supplier for better quality raw material.
4. Reduce the production of "quickie-quick" till committee submits its report.
5. Stop production of "quickie-quick" till committee submits its report.

16. Rahim set up a "brand" committee comprising of a few selected managers, headed by Robert. The committee proposed that IBM should continue to manufacture the three differently branded products. It also proposed to recruit a new brand manager for improving brand image of the products. It agreed with Rahim that the company should increase the price. Rocket Singh, head

of sales, was confused because he realized that customers were miffed with "run-of-the-mill" and "maxi-max".

What should Rocket Singh do?

1. Launch one more product to increase sales.
 2. Stop production of quickie-quick.
 3. Launch a campaign on social media to increase awareness about company's products.
 4. Send an anonymous email to all the employees highlighting customer dissatisfaction.
 5. Conduct a research study to find out the reason for customers' dissatisfaction.
17. Some of the managers in production department were discussing the problems faced in shipping products in time. They complained that they had to undertake responsibility of creating financial and marketing plans in addition to responsibility of production planning. At the same time, finance and marketing managers were to be involved in preparing production plans. It was expected that this will reduce customer complaints. It was rumored that these changes

were

initiated by the managers educated in the U.S.

Which of the following is the best possible course of action available to the affected managers?

1. Create a union to safeguard their rights.
2. File a law suit against the company.
3. Create a forum for discussion and resolution of issues.
4. Register a complaint with the human rights body.
5. Go for further education to the U.S.

DIRECTIONS for questions 18 - 21: Please read the three reports (newspaper articles) on ranking of **different** players **and** products **in smart phones industry** and answer the question that follow.

Report I; (Feb, 2013): Apple nabs crown as current top US mobile phone vendor

Apple's reign may not be long, as Samsung is poised to overtake Apple in April, 2013. For the first time since Apple entered the mobile phone market in 2007, it has been ranked the top mobile phone vendor in the US. For the latter quarter of 2012, sales of its iPhone accounted

for 34 percent of all mobile phone sales in the US—including feature phones—according to the latest data from Strategy Analytics.

While the iPhone has consistently been ranked the top *smartphone* sold in the .US, market research firm NPD noted that feature phone sales have fallen off a cliff recently, to the point where 8 out of every 10 mobile phones sold in the US are now smartphones. That ratio is up considerably from the end of 2011, when smartphones had just cracked the 50 percent mark.

Given this fact, it's no surprise that Apple, which only sells smartphones, has been able to reach the top of the overall mobile phone market domestically. For the fourth quarter of 2012, Apple ranked number one with 34 percent of the US mobile market, up from 25.6 percent year over year. Samsung grew similarly, up to 32.3 percent from 26.9 percent—but not enough to keep from slipping to second place. LG dropped to 9 percent from 13.7 percent, holding its third place spot. It should be noted that Samsung and LG both sell a variety of feature phones in addition to smartphones.

Looking only at smartphones, the ranking is a little different according to NPD. Apple holds the top spot with 39 percent of the US smartphone market, while Samsung

again sits at number two with 30 percent. Motorola manages to rank third with 7 percent, while HTC dropped to fourth with 6 percent. In the US smartphone market, LG is fifth with 6 percent. Note how the percentages aren't all that different from overall mobile phone market share—for all intents and purposes, the smartphone market is the mobile phone market in the US going forward.

Still, Samsung was the top mobile phone vendor overall for 2012, and Strategy Analytics expects Samsung to be back on top soon. "Samsung had been the number one mobile phone vendor in the US since 2008, and it will surely be keen to recapture that title in 2013 by launching improved new models such as the rumored Galaxy S4." And while Apple is the top vendor overall among smartphones, its iOS platform is still second to the Android platform overall. Samsung is the largest vendor selling Android-based smartphones, but Motorola, HTC, LG, and others also sell Android devices, giving the platform a clear advantage over iOS both domestically and globally.

Report 2: Reader's Response (2013, Feb)

I don't actually believe the numbers for Samsung. Ever since the debacle in early 2011, when Lenovo called into



question the numbers Samsung was touting for tablet shipments, stating that Samsung had only sold 20,000 of the 1.5 million tablets they shipped into the US the last quarter of 2010, Samsung (who had no response to Lenovo) has refused to supply quarterly sales numbers for smartphones or tablets. That's an indication that their sales aren't what analysts are saying.

We can look to several things to help understand why. In the lawsuit between Apple and Samsung here last year, both were required to supply real sales numbers for devices under contention. The phones listed turned out to have sales between one third and one half of what had been guessed by IDC and others. Tablet sales were even worse. Of the 1.5 million tablets supposedly shipped to the US during that time, only 38,000 were sold.

Then we have the usage numbers. Samsung tablets have only a 1.5% usage rate, where the iPad has over 90%. Not as much a difference with the phones but it's still overwhelmingly in favor of the iPhone.

The problem is that with Apple's sales, we have actual numbers to go by. The companies who estimate can calibrate what they do after those numbers come out. But with Samsung and many others, they can't ever calibrate their methods, as there are no confirming

numbers released from the firms. A few quarters ago, as a result, we saw iSupply estimate Samsung's smartphone sales for the quarter at 32 million, with estimates from others all over the place up to 50 million. Each time some other company reported a higher number for that same quarter, the press dutifully used that higher number as THE ONE. But none of them was the one.

Without accurate self-reporting of actual sales to the end users, none of these market share charts" are worth a damn!

Report 3: Contradictory Survey (Feb, 2013): iPhone5 Ranks Fifth in U.S. Customer Satisfaction Survey in Share

The iPhone5 ranks fifth in customer satisfaction according to the results of a recent survey from On Device Research, a mobile device research group. In the poll, they asked 320,000 smartphone and tablet users from six different countries, how satisfied they were with their devices. According to 93,825 people from the US, Motorola Atrix HD is the most satisfying and Motorola's Droid Razr took second spot. HTC Corp (TPE:2498)'s Rezound 4G and Samsung Galaxy Note 2 took third and fourth spots, while Apple's iPhone5 landed in fifth spot.



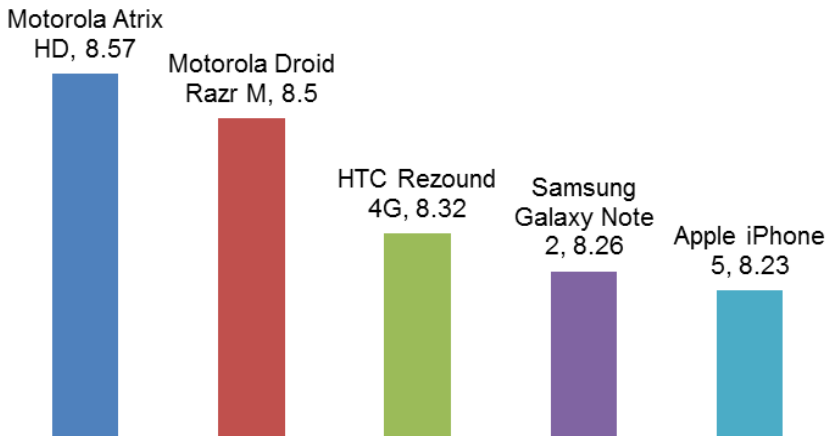
It appears, that Apple may be lagging in consumer interest. On Device Research, Sarah Quinn explained, "Although Apple created one of the most revolutionary devices of the past decade, other manufactures have caught up, with some Android powered devices now commanding higher levels of user satisfaction."

Despite the lower rankings, things aren't looking too bad for Apple Inc. (NASDAQ:AAPL) elsewhere. In the United Kingdom, they ranked second place, right after HTC One X. Interesting enough, Apple did take top spot for overall satisfaction of mobile device, whereas Google Inc. (NASDAQ:GOOG) ranked second. Motorola Mobility Holdings Inc. (NYSE:MMI), HTC Corp (TPE: 2498), and Nokia Corporation (NYSE:NOK) took third, fourth, and fifth places respectively, while Sony Ericsson trailed behind at sixth place.

The survey sampled mobile device users in the following countries: United States, United Kingdom, France, Germany, Japan, and Indonesia. Although On Device didn't share the full list of devices mentioned in the survey, it does show some insight to what customers want. Unfortunately, there were still many questions regarding the survey that were left unanswered. Everyone wants to know why Google Inc.

(NASDAQrGOOG) was on the list when they are not an actual smartphone maker and why was Samsung Electronics Co., Ltd. (LON:BC94) on the bottom of the satisfaction list when the brand is leading elsewhere.

US Smartphone Device Satisfaction Top 5 Devices



Source: 92,825 US mobile users, July 2012-January 2013

Fortunately, those questions were answered by On Device Research's representative. He explained that the survey was conducted on mobile web where the survey software could detect the taker's device and since users rate their satisfaction levels on a 1 to 10 scale, thanks to the Nexus device, Google was included.

18. If you analyze the three reports above, which of the following statements would be the best inference?
1. Newspapers publish completely wrong data.
 2. All three reports have been bought by the companies.
 3. Newspapers may report selectively.
 4. Apple is leading but its dominance in Korean market is definitely under threat.
 5. Customer's response, in report 2, is neutral and objective.
19. Assume report 1 and report3 are both correct, which of the following can be a reason for seemingly divergent ranks of different companies and their products?
1. iPhone4, another product from Apple, could have been the best seller in the U.S.
 2. HTC-One was the most preferred device in Japan.
 3. On Device included Google in the list because it is an important player in Android market.

4. Customer satisfaction never leads to higher customer loyalty.
 5. None of the above.
- 20.** If report 1 and report 3 are both correct, which of the following can be a reason for seemingly divergent ranks reported for different companies and their products?
1. On Device has been paid by Motorola to publish.
 2. Customers in France, in report3, have voted Samsung as the favorite company.
 3. Customers in Japan, in report3, have voted Samsung as the favorite company.
 4. Sales and satisfaction may not be perfectly related with each other.
 5. None of the above
- 21.** Which of the following is more likely to be a correct conclusion about the respondent/reader in report2?
1. The reader is an Apple user.
 2. If the reader is an Apple user, his usage rate is higher.

3. The reader is a frequent user of HTC One.
4. The reader does not like Android platform.
5. The reader wants more objective data to be released by the companies.

DIRECTIONS for questions 22 - 24: *Read the following case-let and choose the best alternative for the questions that follow.*

Ajay was thinking deeply about a problem that his organization, a business consulting company, faced. Globalization had affected his company like many other companies. Despite the downturn, the current revenues remained healthy. However, Ajay knew it was inevitable that the company could not do business the same way. The complexity of managing the business had increased with time. Consultants were under pressure to deliver good and innovative solutions. The organization had consultants from different age groups having a good mix of domain and industry expertise. It was a flat organization with three levels. The biggest challenge for Ajay was to have consultants with latest knowledge who would also earn revenues. Getting additional business was a challenge as all the consultants were busy and it was very difficult to hire new consultants.

22. Some of the consultants were adept at applying old solutions to new problems. Ajay was not very sure if this would work for long. Some of the clients had complained about the performance of old and reputed consultants. Ajay was mulling over the following five solutions to tackle this problem.

A. Decrease time spent on client interaction and increase time spent for generating solutions.

B. Increase support staff to help consultants to remain updated.

C. Decrease the number of simultaneous projects handled by consultants.

D. Make it compulsory for consultants to work on inter-industry and inter-domain problems.

E. Recruit more consultants.

Which of the following would be the best sequence of decisions taken by Ajay (starting from immediate to distant)?

1. C,B,A,E,D

2. D,C,B,A,E

3. E,D,C,B,A

4. B,D,E,A,C

5. A,E,D,C,B

23. After Ajay implemented some of the steps mentioned above, consultants wanted to renegotiate their contract with the organization. It seems that the organization had never mentioned that consultants have to work across industries and domains. Some of the old consultants were reluctant to change their ways, while many of the younger consultants were willing to follow Ajay's advice. Which of the following decision can be taken by Ajay to handle this situation?
1. Retrench old consultants and recruit young consultants.
 2. Pressurize non-conformists by giving preferential treatment to the conformists.
 3. Negotiate with the old consultants and communicate that the new rules would apply to the new consultants only.
 4. Do nothing and wait for a right solution to emerge, as with time resistance would die down.
 5. Discuss the issue in an open house and let solutions emerge democratically.

24. Ajay was to retire in five years and he wanted to leave behind a legacy. Order the following activities, from the most important to the least important, that Ajay should undertake in next five year:

A. Do nothing.

B. Set a future direction for the organization in these challenging times.

C. Benchmark performance with respect to the best consulting company in industry.

D. Empower senior consultants and at the same time seek opinion of all others for handling future challenges.

E. Infuse fresh thinking by hiring outsiders.

Choose the best option from the following sequences

1. A,B,C,D

2. B,C,D,E

3. C,D,B,A

4. B,E,C,A

5. B,E,D,C

Answer Key Actual Decision Making Questions 2014:

| Q. | Key | Explanation |
|----|-----|--|
| 1. | 2 | <p>If the company launches the product the cost of launching the product = 50 crores</p> <p>there are 50% chance of success hence 50 % of 100 crore = 50 crore</p> <p>and 50% of chance of unsuccessful sales = 50% of 20 crore = 10</p> <p>hence profit = $100 - 50 - 10 = 40$ crores</p> |
| 2. | 3 | <p>The product whose results are favorable has success rate = 80%</p> <p>Cost of product = launching+ marketing = Total cost = 50 + 10 crores</p> <p>Sales = successful + unsuccessful</p> <p>= $80\% \times 100 + 20\% \times 20 = 84$ crore</p> <p>Profit = $84 - 60 = 24$ crores.</p> |
| 3. | 2 | <p>Probability of product failure =</p> <p>failure probability when product is favorable result but fails + probability when unfavorable and fails = $0.70 \times 0.20 + 0.30 \times 0.70 = 0.14 + 0.21 = 0.35$</p> |
| 4. | 4 | <p>Despite unfavorable :the profit earned by company can be =</p> <p>Cost of product = launching+ marketing = 60 crores</p> <p>Now the product fails in the test 30% chance of success is still there</p> |

| | | |
|----|---|--|
| | | <p>sales = 30% of 100 crore (successful) + 70 % of 20 crore (unsuccessful) = 30 + 14 = 44 crores</p> <p>hence the profit = 44 -60 = -16 crores</p> |
| 5. | 2 | <p>The prime motive is to maximize the prize money. Since maximum prize money is fixed for International level. So Ms. Banerjee, keeping in mind the probability of winning the competition, will pick up those students who have hit the cent percent score maximum number of times hence rising up the probability of winning. Now, we can observe that Students 2 , 6 , 8 and 14 are the top four students hitting maximum cent percent score 15 , 10 , 12 and 20 times respectively . So looking at the options the team of top 3 is formed, i.e. 2, 8 and 14.</p> |
| 6. | 2 | <p>Now for district level, Since winning probability is on higher side. Ms. Banerjee will choose those students who have maintained a good average while the tests. Observing the average we can see that students 1,4,11 and 14, All have hit the average of 70. So a team of three should be formed from the above four mentioned. So looking up from the options students 1, 4 and 11 are selected.</p> |
| 7. | 4 | <p>Now national team has to be selected after the selection of International team i.e. 2, 8 and 14 are already selected, Now the students who have hit the cent percent score maximum number of</p> |

| | | |
|-----|---|--|
| | | times after the international team will be selected,. Students 1, 3, 6 and 12 have hit the cent percent 7,8,10 and 6 times respectively. So the team of top 3 is formed from the above mentioned, i.e. 3, 6 and 1 are selected. |
| 8. | 1 | As the issue is of interpretation of work of the anthropologists and same uncertainty is there in predicting the position of the electrons. Hence the answer is option 1. |
| 9. | 1 | The author assumes that money is a great motivator and to weaken we have to hit this assumption. This is clearly given in the option 1. |
| 10. | 5 | The curve will be of L shape as after certain number of cups of coffee, as given in the passage, there will not be any effect on the rate of risk of suicide. |
| 11. | 3 | As we know that by statements $F > A > G$; $D > B / E$; $I > C$ The best position for girish is when all others than Faneesh and Ashok finish after girish Hence the answer is option 3 |
| 12. | 4 | As he has been his mentor in his childhood days and Balwant is generous by nature. Balwant is not so active in is business and his son is not so interested in a family business. When he got admission in MBA, Balwant was very happy. So it is highly likely that he should talk to Balwant regarding the issue. |

| | | |
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| 13. | 3 | This seems to be the middle path as this is going to be win-win situation for all the parties concerned. |
| 14. | 3 | <p>The first person to benefit from the Bigmart is Consumer because ethically it is correct. The consumer should be benefitted from the firm.</p> <p>The second are the farmers because they are dealing with them</p> <p>The Third will be the retailers because they are competitors of Bigmart and they will be in least focus.</p> <p>Ascending order becomes...the least profiting first</p> <p>Retailer farmers consumers</p> |
| 15. | 1 | <p>The steps which should not be taken by Ram is to produce quick –quick</p> <p>because: 1. Although the demand for quick-quick is increasing; but we don't know the percentage composition of sales</p> <p>2. There are already quality issues in the product , it should be solved first before producing it</p> |
| 16. | 5 | Rocket Singh being head of sales should look for improving brand image which cannot be solved by 1. Launch one more product 2. Stop production 3. Media awareness is good but finding the reason for customers miffed with products by creating a research study for their dissatisfaction is more important |

| | | |
|-----|---|---|
| | | hence the answer should be option 5 |
| 17. | 3 | Best course of action for affected managers are to discuss the issues they face and resolve them ; which is mentioned in option 3 only |
| 18. | 3 | After the analyses of 3 reports; As the data is not published for other countries and the reports are selective on publishing reports . hence the answer is option C |
| 19. | 3 | The only reason for seemingly divergent ranks because while google may be an important player in the adroid market in the other countries apart from US |
| 20. | 5 | Option A is wrong because the Motorola could have paid at other countries also. Option B & C are wrong because there is no mention of Samsung in the report option D is wrong as sales have not been talked about anywhere. that's why answer should be E |
| 21. | 5 | The reader makes the clear point that data on Samsung is ambiguous, since the company does not release data on phones sold. This makes option 5 correct. There is no justification for options 1 to 4 in report 2. Hence, the correct option is answer 5. |
| 22. | 2 | As per given in the question the recruitment of consultant is not fixable , hence it should be the last decision taken by Ajay ; Hence the appropriate step of sequence of decision = 4 3 2 |

| | | |
|-----|---|--|
| | | 1 5 |
| 23. | 5 | The best way to discuss the solutions in open house so that the right solution should emerge and emerge democratically. hence the answer is option E |
| 24. | 2 | Doing nothing should not be taken whereas infuse fresh thinking by hiring outsiders should be the least concerned ; hence the best possible sequence should be B |

Actual Decision Making Questions 2015:

1. Hitesh was an operations manager in a social development organization and observed deep-set caste discrimination all around him. Observing that caste based discrimination was endemic in his organization, he decided to quit and start his own NGO. In his organization, he employed people from all castes and tried to eliminate caste-bias. Over the years, his NGO expanded and started working with various sections of society and started supplying material to organizations dominated by those of supposedly higher castes. As part of his team, he built a squad of sales representatives consisting of people from diverse backgrounds and all castes. As his representatives were from diverse backgrounds, including the lower castes, he soon started experiencing resistance from his clients as they objected to the presence of representatives from the lower castes.

Hitesh is stuck in an ethical dilemma now. With more than half his employees from the lower castes, he can no longer send them to his clients. He is under pressure to change the demography of his organization. On the other hand, if he does so,

he defeats the very purpose of building his organization in the first place.

What should he do as a socially aware entrepreneur who knows of his social responsibilities?

1. Shift to businesses and areas of work which face no such stigma.
 2. Reduce the number of lower-caste employees.
 3. Let the current situation continue and hope for the social climate to improve.
 4. In future, hire only people from castes that pose no such problems.
 5. Try to juggle his assignments in such a manner that he does not send people from the lower castes to those clients who object.
2. You are the HR manager of a newly established-BPO and are on the lookout for talented and hard-working people who can serve on the team. One of the applicants is Udit, an engineering graduate from a mid-level institute but comes from an impoverished background. Because of this, his communication skills are not quite up to the mark

and you are in two minds whether to hire him or not. As far as his school records are concerned, they are up to the mark in all subjects, barring one, that is English. Because of the above, you are uncertain about hiring Udit and are not sure whether he would fit in the young crowd at your BPO.

If you are the HR manager in concern, what would you do in the given situation?

1. Explain the situation to Udit, and help him understand why you could not hire him.
2. I would hire him without even it giving it a second thought case and the job itself would help him learn the art of effective communication.
3. I would identify the specific role that is suitable for his skill-set and make sure his shortcomings are overcome with the right assistance and training.
4. Provide him with resources that can help him improve his communication so that he can apply for other jobs at a suitable time.

5. I would help him find a job in another industry that does not require any communication skill at all.

3. The premium fountain pen and diary combo industry in India generally sells around 1 million fountain pens and diary combos every year. This industry generally caters to the richest sections of society, and the price range for these combos starts from at least Rs. 6000 for a single set. In the last 10 years, the world has seen a massive change in terms of technology and we are increasingly seeing that digital products are replacing traditional items. With the coming of smart-phones, tablets and devices such as Kindle, high-end consumers have started using these devices for organizational tasks, and this has meant that the market for the premium pen and diary combos has gone not grown in the last 10 years, and in fact, is beginning to see its first signs of recession.

What should be strategy adopted by the premium fountain pen and diary combo industry in order to be profitable in the long term?

1. Merge with other companies in the sector and try to reduce the competition, thus reducing the price wars.
 2. Try to get back their lost clientele with the help of new designer pen and diary combos.
 3. Increase the appeal of their products by introducing a new line of cost-effective combos for middle and lower classes of society.
 4. Use technology-enhancement features in their products and convert them into digital diaries and pens.
 5. Reduce the prices of their combos to attract some the lost clientele.
4. Being in the middle of a recession has meant that a number of areas of the economy have suffered. One area to be particularly hit is the car industry and the industry leader, Saruti Muzuki has seen a drop of 15% in its sales. In order to cope up with the situation, Suruti Muzuki has to come up with a plan to beat this downswing in the whole sector itself. Suruti Muzuki has been traditionally a brand that has catered to the middle segment of the market by providing cars with great fuel efficiency

and ones that generally low on frills. Being a part of the company board, which out of the following would you recommend as a course of action to recover some of the lost revenue of the company in the current fiscal year?

1. Reduce the operating costs of the company by reducing the staff.
 2. Increasing the advertising expenditure of the company so as to increase brand awareness.
 3. Using an enhanced loyalty and exchange bonus schemes that help drive up the sales.
 4. Downgrading the current variants so that their price reduces.
 5. Innovate and create a new car that becomes the cheapest car available in the market.
5. You are part of the government infrastructure committee that came up with a plan to remove slums from the heart of the city and provide with slum-dwellers with low-cost housing in peripheral areas of the town. The scheme received due approval from the slum-dwellers at the time and was welcomed as it provided them with a better homes than their existing accommodations. The

initial draft of the scheme as floated in the year 2005, and on the basis of the census of the slums in the year 2009, the construction of the low-cost housing began in the year 2010 and was completed in 2013. Now the stage has arrived where people need to be removed from the slums and re-located to the new areas. Because the scheme, from the time of the census to that of occupation of the houses, took 5 years, there has been an influx of new individuals in these slum areas and they are not willing to vacate these areas. Which, out of the following, is a solution that you should put up in front of the committee?

1. The slums need to be vacated at all costs and the individuals not co-operating should be forcibly removed.
2. New houses need to be created for the new migrants and they should be allowed to stay in the slum areas till the time the new houses come-up.
3. Since the scheme had a cut-off date, individuals who occupied the slums after the given date should be given provisional shelter so that they can find alternates for survival.

4. The slums should not be emptied and can act as future source of accommodation for all those arrive in the society.
5. The slums itself should be converted into low-cost housing, thus providing the city with enhanced facilities to house all those who arrive in the city.

DIRECTIONS for questions 6 to 10: *Read the following and answer the questions that follow:*

Mr. Thakural runs Power-dose pharmaceuticals, and is in the business of bulk manufacturing medicines for established brands. Mr. Thakural established the business 10 years ago, and ever since, has been running it on his own. During this period of time, he has always had a very hands-on approach to solving all matters, and has made sure that his company remains union free. In order to do this, he has made sure that he handles his personal operations staff on his own, and he has kept all the important decisions with respect to a person's salary, current job profile and designation with his own self. This is despite the fact that the company has a complete HR department. The role of the HR department has essentially been reduced to handling the day to day attendance of employees and managing all minor tasks

related to the reporting of employees. The management style of Mr. Thakural has ensures that the HR division of his company has never fostered, and he continues to wield control when it comes to managing the affairs of every employee in his company.

Recently, the plant manager of Power-dose, Mr. Ganeshan wanted to meet Mr. Thakural as he was not happy with the remuneration he was receiving. Mr. Thakural had already decided upon the appraisals of most other managers, and was done with his individual rounds of meetings with the other managers. Mr. Thakural, for some reason, did not meet Mr. Ganeshan, and this gave the impression he was avoiding him. Mr. Ganeshan tried to fix multiple appointments with him but could not do so, and ultimately tried to meet Mr. Thakural without an appointment. Mr. Thakural flatly refused to meet him and also offered no communication on the desired appraisal for Mr. Ganeshan. In a fit of rage, Mr. Ganeshan offered his resignation and Mr. Thakural accepted it. In the light of these events, the employees of the division that Mr. Ganeshan used to handle decided to go a strike, a first of its kind at Power-dose, and decided to form a union for the representation of workers. They forwarded their proposal to both the HR department and Mr. Thakural, and wanted the immediate re-instatement

of Mr. Ganeshan, accompanied with his necessary appraisal.

6. The factor that has lead to the development of the current situation is:
 1. Mr. Thakural's ego-centric way of managing his company.
 2. The lack of understanding on behalf of the employees with regards to the management practices of the company.
 3. A lack of analysis and forethought on behalf of Mr. Thakural in handling the situation.
 4. A lack of sensitivity towards employees and discrepancy in management policies followed by Mr. Thakural.
 5. A lack of business awareness exhibited by Mr. Thakural.
7. The present situation could have been averted if:
 - I. Mr. Thakural had given Mr. Ganeshan the raise he was asking for.
 - II. Mr. Thakural had heard the contentions of Mr. Ganeshan.

III. Mr. Thakural had given more authority to his HR department.

IV. Mr. Thakural had a crises manager.

V. Mr. Thakural had created a process wherein employees knew when they could meet him.

1. I and II 2. II and V 3. III and V

4. III and IV 5. III and V

8. Which, out of the following, is the best recourse available to Mr. Thakural in the given case?

1. Identify the employees leading the strike and make a deal with them to end the strike.

2. Identify the trouble makers, and try to separate them from the rest.

3. Open a direct round of negotiations with Mr. Ganeshan and the employees on strike.

4. Ask the HR department to resolve the issue.

5. Ask the employees what kind of changes they want his way of functioning.

9. Any person in the current HR set-up at Power-dose is bound to feel frustrated. Assuming you are one such person who has been in the current set-up for a long time, and is responsible for employee welfare, what should be your approach in the given case?
- I. pro-active towards finding a possible resolution for the issue.
 - II. understanding the viewpoints of those on strike.
 - III. inclined towards getting in the good books of Mr. Thakural.
 - IV. staying out of the way and doing only the works you are assigned.
 - V. creating and using a crises-management module for policy implementation at times of crises.
1. I and V 2. I and II 3. II, III and IV
4. I, II and V 5. II, III and V
10. Since Power-dose was behind delivery schedules, and was about to lose its major client, Mr. Thakural had to do something to ensure that the strike was over. As part of the settlement process, Mr.Thakural decided to offer an unconditional

apology to Mr. Ganeshan, and decides to employ him, on his terms, again in the company. In order to avoid such an embarrassing situation again in the future, he should adopt how many out of the following:

- I. A policy framework for dispute resolutions that ensures discussions remain open at all times.
 - II. A crises management policy, ensuring that orders continue to be processed even in extreme situations.
 - III. A set system of appraisals guaranteeing growth for given duration of work.
 - IV. A re-structuring in HR responsibilities, with greater delegation of work to ensure greater transparency in the system.
 - V. A better set of performance analysis tools.
 - VI. A policy forbidding the formation of unions.
1. one 2. two 3. three 4. four 5. All
- 11.** You are the hiring manager of a company and you have recently discovered that one of your new recruits actually presented a fake engineering degree as a proof of his qualifications. The

concerned person never completed his degree, and attached a fake one with his resume here. At that stage, you did not verify the facts and hired the person because of his exceptional working knowledge. Subsequently, the person concerned has performed exceedingly well in all his tasks, and has been the best performer in the company. You discovered a few days back that the degree of the person concerned is fake, and since then, you have verified the same from his college as well. Which, out of the following, represents the best solution for the problem?

1. you should sack the person, and make an example out of his indiscretion.
2. you should talk the person, relieve him of his current duties, and ask him to apply again when he completes his degree.
3. you should conceal the facts and ask him to continue without informing anyone.
4. you should relieve the person of his current job responsibilities, transfer him to a post suitable for his current qualifications, and give him a chance to grow from a lower rung in the management.

5. you should meet with him and ask him to put in his papers, and leave respectfully.

12. The Vahindra MUV is a newly launched sports utility vehicle in the market with the whole gambit of accessories and value added features. One of the features added to the car is an enhanced navigation GPS system. Vahindra, after it had sold about 100000 MUVs, got to know that in some of the car's GPS systems, the wiring has some execution flaw that leads to the system failing within a few months of use. The flaw crept in because the training given to some of the electricians who fit the system was faulty. Vahindra has no way of establishing who fitted these systems in certain car and thus cannot establish the faulty vehicles amongst the whole lot. The company is now faced with a tricky situation: face the ire of its customers or risk a significant loss in reputation by making the flaw public. Which, out of the following, is the correct solution for the company?

1. The company should not make the error public, and repair the ones that report the fault without charging the concerned customer.

2. The company should conduct a survey amongst its customers and try to establish the ones who are facing the problem with the GPS system.
 3. The company should make the fault public, and at the same time, publically fire the group of electricians responsible for the flaw.
 4. The company should introduce a new variant of car, without any such flaws, and make sure the limelight is completely focused on this product.
 5. The company should recall the cars and rectify the errors, whatever maybe the consequences.
- 13.** Wet Airways finds itself in a peculiar circumstance. The low-cost aircraft carrier has recently experienced success with its e-commerce venture and that has meant that most of its ticketing operations have gone online. Since these processes have gone online, the staff requirements in the ticketing division have reduced significantly. At the same time, Wet Airways is known for its employee friendly policies and is known to provide its employees a stable and secure work environment. The organization now finds itself in a dilemma of how to reduce its costs by downsizing (to account for the increasing fuel costs in the last

few years) and maintain its employee-friendly nature.

Which, out of the following, could be the most suitable long-term solution to the problem?

1. Since the economic viability of the organization comes first, the airline should let go of its employees.
2. The company should retain the best performing employees in the ticketing division and let go of the others.
3. The company should start another venture where all the employees who lose their jobs can be employed.
4. The company should wait for the fuel prices to decrease, so that it does not need to remove the employees, and in the meantime, bear the losses.
5. The company should offer the relieved employees handsome early retirement benefits and make sure that all those relieved in the ticketing department receive adequate compensation.

14. In the last 1 year, Trust Communication, a major Indian telecom company, has seen its 2G users drop by 23%. During the same period of time, the revenue earned by the company has increased by 14% and consequently, the company has attracted significant foreign investments. This behavior of the company stock has raised speculation about the conduct of the company and most people find its performance inexplicable.

Which, out of the following, accounts for a possible explanation for the increase in revenue of Trust Communication and the subsequent investments it has attracted?

1. The company has successfully warded-off a takeover bid and is seen in control by all stakeholders, thus inspiring confidence in its consumers.
2. The company has expanded in new territories, such as Africa, and soon hopes to reap in rewards from these areas.
3. The company has increased the number of free services to its existing customers, thus rewarding them for their loyalty.

4. The number of telecom companies in the last 2 years has decreased significantly, especially after the scams pertaining to 2G spectrum allocation.

5. The company holds the pan-India 4G license, and has leased to these at significant premium to other telecom companies.

- 15.** Vafatlal Corporation hired a new branding and sales manager in the year 2012. The hiring was done considering the fact that the retail clothing market has seen a dip of 10% in the last one year and something needed to be done, and the person concerned has stellar record in the field of sales and marketing. In the last one year, Vafatlal have declined by 5%, and considering the fact that market has continued to underperform in the year 2013, the results are along expected lines. Out of the following, which would be the best course of action for the branding and sales manager in the upcoming board meeting?

1. Considering the market dipped by double digit numbers and Vafatlal faced only a single digit loss, the manager can take credit for the situation.

2. Since the manager has not managed to increase the sales figures, he should resign from his post and make way for someone else.
 3. Since the market has performed badly, and Vafatlal has managed to hang in, the manager should ask for another chance to prove his mettle.
 4. Since a number of companies do well even in declining markets, the manager has not performed up to mark and should be forced to leave.
 5. The manager should highlight the current sales scenario, come up with a plan for the next year keeping the cost in mind, and leave it to the board to decide the future outcome.
- 16.** There is a new fuel additive 'Elixir' that can be mixed with petrol and can improve fuel efficiency of vehicles by 50%. This additive only increases petrol cost by about 10% and can be readily derived from some natural sources. Despite its success, majority of the oil marketing companies has not providing fuel pre-mixed with this additive and thereby are missing out on a chance of using the already limited petrol resources for a lot longer.

Which of the following statements explains the approach adopted by oil-marketing companies?

1. Majority of the oil companies do not have necessary mixing techniques at the moment to use this additive immediately.
2. The number of cars running on petrol has dropped by 20% in the last 3 years.
3. The essentially middle class country currently is in the middle of an economic boom, and the companies do not wish to alter the consumption patterns.
4. The companies are unsure of the long term impact of the additive on the car and wish to wait for the studies to establish the safety of 'Elixir'.
5. Since the fuel additive would reduce petrol consumption, companies do not wish to lose out potential revenue.

DIRECTIONS for questions 17 to 19: Read the following and answer the questions that follow:

Western Uttar Pradesh has seen immense rainfall in the last two weeks and there is a flood warning that has been released for the region. Considering that it has been

raining non-stop for the last 18 hours, and the weather department expects more rainfall in the next 24 hours, the ravines in the region are funning full and are expected to overflow any moment. The Ganges, which flows through the region, is expected to overflow, and despite sandbagging and all other efforts, flooding seems to be a foregone conclusion.

The residents of the region, who are primarily farmers, have been advised to evacuate these regions at the earliest, and this means that they would have to leave behind most of their livestock and investments in their farms. The farmers are trying to save what they can and are clinging on to their land till the absolute last moment, in hope that the rain would abate and they would be able to save some of their belongings.

17. You are the District Commissioner of the worst-affected region and keeping the above situation in mind, you need to come-up with a plan to help the citizens of your area. The following are some of the options that you have:

- (i) Make the evacuation of all mandatory.
- (ii) Issue a strongly worded advisory, though not making the evacuation mandatory.

(iii) Call in the army in advance, sensing the need for possible last minute evacuations.

(iv) Try to create awareness amongst people, through mediums such as radio, about the need to evacuate.

(v) Make an informed guess about which areas will get flooded first and place all of one's resources in these areas.

Out of the above, which are the set of decisions of decisions that are advisable in the given case:

1. (i), (iii) and (iv)
2. (ii) and (iii)
3. (ii), (iii) and (iv)
4. (iii) and (v)
5. (i), (iv) and (v)

18. In order to make the right decision, which one of the following managerial attributes is required the most by the District Commissioner of the worst affected regions?

1. Emotional stability
2. Incisive critical thinking
3. Ethical conduct
4. Scrupulousness
5. Swift decision making

19. Out of the options given below, which would be the best policy decision by the government of Uttar Pradesh to ensure that people evacuate from the region as soon as possible?
1. Establish alternate sources of income for people who would lose their livelihood in the floods.
 2. Establish camps where people can migrate to.
 3. Announce substantial compensation for those who would lose their livestock and other essential items of livelihood in the flood so as to incentivize evacuation from the region.
 4. Create a committee to oversee the evacuation process.
 5. Create a rehabilitation fund and ask for all other states to contribute to it.

DIRECTIONS for questions 20 & 21: Read the following and answer the questions that follow:

You run an IT company and you have divided the IT operations team into 15 clusters. Each cluster has one head, who reports to you, and the cluster head has five members who report to him. Every year, the cluster with the best output wins the annual performance award

accompanied with some perks for each of its members. Each cluster has its distinct name, generally provided by the cluster head. The 'Dark-Knights' cluster had performed the best during the last two years, and its head, Narayan Murthy, had also been rated as the best cluster head consistently. But this year's results have been surprising.

Even though Murthy has been still rated highly by the other cluster heads, his team is in the middle of the rankings this time.

- 20.** Which, out of the following, could be the least likely reason for decline in the performance of the 'Dark-Knights'?
1. The cluster has had toughest projects this year, and hence, finds itself lagging in performance.
 2. Two vital members of the team have faced personal issues during the year, and thus have impacted the overall levels of efficiency.
 3. The cluster has not been able to learn on the job and have suffered from poor directions.
 4. The cluster-members of the last two years have been replaced and the current 'Dark-Knights' bears

little resemblance to the teams of the previous two years.

5. The cluster members were not satisfied with the perks given in the last two years and felt demotivated.

21. You decide to sit with Narayan Murthy and try to establish the reasons for the decline in performance of his team. What came out of the meeting was that some of the members of the cluster were not happy with the kind of perks they got after winning the award for the second time last year. They felt that this was not adequate compensation for their effort and that they deserved more. Which, out of the following, is a corrective measure that can be taken by you?

1. Assign new tasks to the Murthy's team with the promise of enhanced gains if they finish the work on time.

2. Provide the team some extra case incentives for their work in the previous two years, and ask them to work with dedication in future.

3. Re-do the performance scheme in co-ordination with all cluster heads and make sure that demands of employees are met for next year's performance.
4. Re-assign Murthy's team to other clusters so that their demands peter-out.
5. Increase Murthy's salary and ask him to ensure that his team stays motivated.

DIRECTIONS for questions 22 & 23: *Read the following and answer the questions that follow:*

You are a recruitment manager at a leading infrastructure firm. You have a new project coming up in the hill state of Himachal Pradesh, and for this, you need civil engineers. You gave a general advertisement for hiring new recruits for the company you have received applications from four candidates. Three candidates out of the four are from South India. Out of these, the two that fit the bill in terms of salary expectation and having no problem in re-locating to North India, have slight deficiencies in their qualifications. The one South Indian who seems to be perfect for the job does not wish to re-locate to North India. And the fourth applicant, the North Indian, though has the appropriate skills, is demanding a salary greater than what the company wants to pay.

22. In the given scenario, you should hire:
1. one out of the two South Indians willing to re-locate.
 2. the South Indian who is not willing to re-locate, by offering him a higher salary.
 3. the North Indian, even though he comes at a higher cost to the company.
 4. the two South Indians willing to re-locate, and offer them each half the total salary.
 5. any one of the three South Indians
23. Considering the scenario above, you advertised again so that you can have a greater field of candidates to choose from. At the end of this round, you got another round of 4 applications, 2 from South India and 2 from North India. But each of these new candidates does not have exact set of skills you are looking for. In the given scenario, what should be your approach to solve this problem of lack of talent in the long term?
- I. Open an engineering college, where in you train people according to your standards, and select the ones that are the best fit for your company.

- II. Develop a comprehensive training program that helps bridge in gaps in knowledge of new recruits and makes sure they meet the required standards.
 - III. Create awareness about your brand so that you attract the best talent.
 - IV. Enhance your pay packages to ensure that the best people work for you.
 - V. Visit engineering colleges directly and try to identify native talent in these colleges.
1. I and III 2. II and V 3. III and IV
4. only II 5. only IV

DIRECTIONS for questions 24 & 25: *Read the following and answer the questions that follow:*

Benovo had last year launched a new series of ultra-light laptops that claimed to be the sleekest model available in the market. After generating a strong initial response in the pre-release campaign, the laptops generated strong sales figures in the first two months after its launch. After about three months, the customers who had initially bought the laptops began to complain about this model's battery and how it only lasted for about an hour rather than the four hours claimed by the company

initially. Last year, on receiving the complaints, the company decided to sweep them under the rug and did not offer the necessary replacements for the faulty batteries it delivered to the customers then. As a result, it generated a fair bit of negative publicity at the time. Now, the company has re-launched the ultra-light laptops with the necessary upgrades but has met with a very lukewarm response so far as the image of product is has taken a battering.

- 24.** You are the public relations manager for a leading laptop and tablet manufacturer, Benovo. Being the public relations manager at the firm, you need to come up with a strategy to offset the loss of reputation the company has experienced. Which, out of the following, would be the strategies you would adopt to gain consumer confidence (select all which are applicable)?
- I. Suggest the company to order a product recall now.
 - II. Suggest the company to release a public apology.
 - III. Suggest the company to undertake new and innovate brand building exercises

- IV. Suggest the company to change its brand-name itself.
- V. Suggest the company to offer an attractive exchange scheme to all those who suffered at the hands of a faulty product.

- 1. I and II 2. III and V 3. IV only
- 4. II and III 5. I and III

25. Benovo went ahead with offering an exchange scheme for all those who had bought the first version of its ultra-light laptops. Under the scheme, more than 8000 of the first lot of laptops were exchanged. You are the product head for Benovo and you need to decide what should be done with these laptops. You have the following options:

- 1. These laptops should be discarded and the parts that can be used should be re-used in other laptops.
- 2. These laptops should be re-worked, their defects removed and should be sold again at fractionally reduced prices.
- 3. These laptops, post correction of their battery flaws, should be given away free to the needy, so

that the company generates much needed publicity.

4. These laptops, post correction of flaws, can be re-sold as a cheaper version of the new ultra-light series.

Select the preference order of the above choices keeping in mind the current business scenario.

1. 3-4-1-2

2. 4-3-2-1

3. 3-4-2-1

4. 4-2-3-1

5. 3-2-4-1

DIRECTIONS for questions 26 to 28: Read the following and answer the questions that follow:

RMC is a multi-level marketing company and has its own set of natural care products that it sells through the route of multi-level marketing. The way the company operates is very simple. Every state in the country has one in-charge who reports to the 5 region heads. Each district in a state has an in-charge that reports to the state head, and each district in turn has city heads reporting to the district head. This structure is replicated to the levels of local sectors and localities. As a final link in the chain, the final sale point is the last user who buys the membership worth Rs. 5000 and in exchange, gets products whose worth in Rs. 5000. This end user now

becomes a member, and on every member he brings in the system, he gets a commission. This way, his purchase is subsidized and the chain continues. Every region, state, district, city and locality head gets his share from these sales. As such the products of RMC are well received and are used extensively. Because these products are not available in the open market, the membership model has been flourishing for RMC.

RMC, in a bid to expand, hired a consulting firm, Bcenture, to analyze its business model and suggest improvements. One of the recommendations made by Bcenture included the suggestion that RMC should start selling its products in the open market through retail distribution networks. This idea has in general been well received by region, state and district heads as these people would become the nodal agencies for product distribution. But the city heads have objected to this model as they believe that there will be serious erosion in the number of new memberships if this model is put in place, and the primary source of revenue generation to the company would be lost forever.

- 26.** You are the CEO of RMC and need to make the decision whether you wish to shift to a retail-sales model. How many, out of the following factors,

would be significant questions that will come to your mind while thinking about such a move?

A. Are there other multi-level marketing players operating the two models simultaneously?

B. Has the RMC multi-level marketing reached its saturation mark?

C. What is the revenue potential of direct retail sales?

D. Will retailers be happy to exist side by side by multi-level marketers?

E. How many city and locality heads would shift to other such multi-level marketing schemes?

1. One

2. Two

3. Three

4. Four

5. Five

27. The most significant problem with the multi-level marketing model that you can observe is:

1. that it is a fraudulent scheme making a fool out of people.

2. that it does not have a long-term sustainable model to survive.

3. that it limits the reach of a quality to a certain demographic profile only.
4. that it creates a host of unscrupulous dealers exploiting the system.
5. that it creates convoluted management structure.

28. Which, out of the following, is the most pragmatic solution in the given case?

1. Continue the existing way of operations and do not adopt the new business model.
2. Run a pilot project in few of the districts all across the country to see the impact of the running the two models side by side.
3. Appoint a new consultant and ask them to come up with a better plan.
4. Replace the dissenting voices in the organization structure and go ahead with the plan.
5. Run the two models in two independent districts, and see which gives better results.

DIRECTIONS for questions 29 to 31: Read the following and answer the questions that follow:

The management of Virma Corporation, a pan-India organization catering to essential retail and consumer goods consumption of middle class Indians, is in a quandary. Virma had set out on ambitious expansion three years ago, and at the time, had envisaged an entry into three new industries and the setting up of six new plants all across the country. In order to do this, it had set-up a core-committee of top seven management executives who were to oversee all stages of development. The initial time frame for the setting of the six new plants was 5 years. After 3 years, only one of these plants is up and running, and only one more is near the completion stage. The remaining plants are yet to develop and are still in their infancy. During this period of time, due to excessive capital expenditure, Virma has come under fire from its shareholders, who are demanding an inquiry into the reckless expansion plans of the company that have simply not come to fruition. Considering the current state of affairs, Virma has asked the core-committee to come up with a report on situation and explain reasons for their failure.

29. Keeping in view the above situations, the core-committee has come up with a set of explanations that tries to prove that they are not responsible for the situation and it was not because of them that the expansion plans could not be met. The following is one such list of explanations:
- i. The global economy has been in a recessionary phase, and this has meant that the demand cycle for most industries has been broken. Keeping the weak global demand in mind, the expansion plan did not make sense at the moment, and the delay is a blessing in disguise.
 - ii. The government regulations in the consumer goods space have changed and this has meant that obtaining permissions for projects that previously required no clearance has become a lot harder.
 - iii. The general recessionary cycle in place has meant the banks are no longer willing to lend money readily, leading to the creation of capital shortage for these projects.
 - iv. The last two years have seen a steep increase in cost of construction material, and the contractors who were building the projects are no longer willing

to work at contract rates decided at the time of the contracts. They wish to introduce price variation in the computation of costs, and hammering this issue has taken out a lot of time.

- v. The situation is created purely by people working in the lower echelons and the management team can in no way held accountable for what is done by mid and lower managements. As a recommendation, the core-committee is in favor of stricter hiring criteria.

Out of the above, which are the ones that can be possible accepted by the board of directors when they sit to review the explanations given by the core-committee:

- | | | |
|----------------------|-------------------------|----------------------|
| 1. i, ii, iii and v | 2. ii, iii and iv | 3. ii, iii, iv and v |
| 4. i, ii, iii and iv | 5. i, ii, iii, iv and v | |

- 30.** The board of directors has accepted reasons (iii) and (iv) (from question number 1) as the causes for the delay in the implementation of the project. They have asked the core-committee to come up with a solution for the problem above. Which, out of the following, is the best solution to ensure that the project comes back on track?

1. The company should currently shelve the project and look to expand at a suitable time.
 2. The company should change its team of contractors; identify bankers who would extend it suitable loans, and set-up a fresh schedule for the launch of projects.
 3. The company should add verticals which are currently profitable and try to come with a new expansion plan that meets current global scenario.
 4. The company should re-negotiate with the contractors, do a cost-benefits analysis of the 5 remaining plants to be built and execute the only the ones which can completed at the lowest possible cost and offer the maximum benefit.
 5. The company should make sure that its product line and areas of operation are provided with additional resources, so that it can generate more revenue to invest in the expansion plan at a later date.
- 31.** After the initial round of discussions with the core-committee members, the Virma board of directors has discovered that there had been some internal bungling in the core-committee and some of the

members did not perform their tasks with the honesty they were expected to. Considering the following courses of action that can be undertaken by the board:

- i. The entire team should be replaced with new individuals and fresh set of resources should be allocated to the project.
- ii. The head of the team should be asked which members should be removed the team and company. The process should ensure that all members who did not follow the guidelines of the committee head be removed.
- iii. Each member should be asked to submit an assessment of his work. Simultaneously, the committee head should be told to submit reports on each of the team members. The report of the individual should be matched with the report of the committee head on that member, and a final review on the member performance on the basis on these reports should decide his future.
- iv. Each member should be asked to submit an assessment of his work. Simultaneously, the committee members should submit reports on all other members and assess the work of every other

individual on the team. On the basis of these reports, the board should decide which member gets to stay on the committee and which member leaves.

Out of the above, how many of the above solutions can be effectively used by the Board of Directors?

1. 0 2. 1 3. 2 4. 3 5. 4

DIRECTIONS for questions 32 to 35: *Read the following and answer the questions that follow:*

A2Z corporation is in the business of manufacturing copper wires and cables, and is one of the largest suppliers to state electricity boards across the country. The A2Z operations manager today got a call from the new sales manager of Bindalco, a supplier of metal raw materials for wire manufacturing. The new manager showed deep interest in working with A2Z and ensuring that the two companies can forge a healthy relationship. The A2Z manager is in a quandary right now as a similar deal with the previous sales manager of Bindalco fell through just two months back. At that time, the terms of the contract could not be thrashed out, with Bindalco not guaranteeing the extensive testing norms that A2Z mandates its suppliers should adopt. The A2Z manager has doubts with regards to Bindalco's ability to accept

these norms and pre-test all their material before supplying it to A2Z as Bindalco has previously refused to adhere to these norms.

32. Which, out of the following, would be the most advisable course of action for the A2Z manager:

- i. He should not get into a business deal with Bindalco, as it is hard to trust that a company has developed the necessary capabilities in such a short time period.
- ii. Since the new manager is guaranteeing the necessary provisions, the A2Z manager should go ahead with the deal.
- iii. In order to quash any lingering doubts, the A2Z manager should proceed with caution and place only a small order with Bindalco in order to assess their capabilities.
- iv. The A2Z manager should place the order on Bindalco with a clause stipulation damages in case it does not meet the required standards.

1. i

2. ii

3. iii

4. iv

5. none of the above

33. The Bindalco sales manager has the following tasks at hand:
- i. He should push aggressively to get the A2Z order and provide them all the necessary guarantees to ensure that he gets the order.
 - ii. He should co-ordinate with his own company's operation department to ensure that they have put in place the necessary provisions that can ensure that their products meet the testing criteria set by companies such as A2Z.
 - iii. He should ensure that he understands the demands of the A2Z operations manager fully and understands his requirements.

Which, out of the following, is the preferred order of the above tasks (the first in the list should be done first) so that he can make the sale for his company?

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|---------------|---------------|---------------|
| 1. i, ii, iii | 2. iii, ii, i | 3. i, iii, ii |
| 4. iii, i, ii | 5. ii, iii, i | |

34. The Bindalco sales manager has successfully managed to obtain the order from A2Z. But while doing so, he made the error of making the commitment that all the necessary tests would be performed by his company. Now that he has checked with his own operations and testing division, they are simply refusing to co-operate and state that it is not feasible for Bindalco to meet with all the testing norms.

Which, out of the following, is the best option for manager in the given situation?

1. He should go to his CEO, and ask him to intervene in the situation, and ensure that the testing is carried out.
2. Since he made a grievous error, he should resign from his job and exit from the mess he has created, thereby ensuring that nobody else as Bindalco is held responsible for the problem.
3. Since the manager chased a lead he should not have without previous homework, he should first apologize to the A2Z manager, withdraw his offer and explain the situation to the CEO for his final say in the matter.

4. He should end the matter at his own level by withdrawing the offer he made to A2Z and pass them a letter of regret informing them about his inability to conform to their order.

5. He should make the delivery on time, and not inform A2Z about the tests that were not carried out on the delivery lot.

- 35.** Bindalco's competitor, Mesa Goa, has entered the fray of wooing A2Z corporation. Mesa Goa is a player with stellar reputation and can cater to all the requirements put forward by A2Z corporation. Keeping in mind the huge volume for the order for the year 2014, A2Z thinks it is in the best interest of the company to invite bids for order from both the companies. A2Z has received two competitive bids from the two players, and written assurances from both companies with respect to their compliance with the testing norms put up by A2Z.

Keeping in view the above conditions, A2Z can commit to any of the following:

- i. Select the option which provides the most cost-effective solution.
- ii. Not prefer Bindalco because of its previous errors.

- iii. Reject Bindalco's bid because of its previous error.
- iv. Evaluate the two bids purely on merit.
- v. Ensure the validity of the claims made by the two companies.

Which, out of the above, should form part of A2Z's plan of action?

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| 1. i, ii, iv | 2. i, ii, iv | 3. i, iv, v |
| 4. ii, iv, v | 5. ii, iii, v | |

Answer Key Actual Decision Making Questions 2015:

| Q. | Key | Explanations |
|----|-----|---|
| 1. | 5 | In the given case, the correct answer is option E. Hitesh is stuck in a catch-22 situation and needs to balance his business requirements and his objectives. A solution in the short term is managing his work in such a manner that the damage is minimum and his work does not suffer. Option E is one such solution where he can continue to run his business and also keep his workforce profile the same. Though not ideal, Option E is the only viable solution. The other options do not provide a solution to the problem and are in some way or the other, escape routes. |
| 2. | 3 | In the given case, you need to understand the role of an HR manager. The job of an HR manager is to identify the right set of people for the right job and the person should be able to do the job he is hired for. Since a team is being built for a new organization, the number of opportunities would be immense and various kinds of people would be required to fill in different roles. A role can be found for Udit and his shortcomings can be overcome with the right amount of training. This is what the role of training is in this case and this is what is expected of the manager as well. Keeping this in mind, the right thing to do for the HR |

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| | | manager is to identify the right role for Udit and make sure he does his job right and his shortcomings can be overcome with the right training over a period of time. |
| 3. | 3 | In the given case, since the market dynamics have changed and the richer classes have shifted to using technology enabled products, it makes sense that the industry evolves and introduces products for all the classes. A new line of cheaper products would mean that the customer base expands and it helps the industry grow by making sure that people from a certain segment have access to products they were previously missing out on. Option A does not help increase sales as the traditional market has already stagnated. Option B, D and E again commit the same mistake of targeting a segment that has lost interest. Thus, the best choice is option C. |
| 4. | 3 | The important consideration that you need to keep in mind is that the question asks you to identify an option that would enhance revenue in the current financial year that is come up with a scheme that has an immediate impact on the revenue of the company. Out of all the options, two options that have a direct impact on revenue increase are options B and C. kindly keep in mind that option A is about reducing costs and does not necessarily imply an increase in revenue. Option D entails the |

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| | | <p>risk of creating a product that might not appeal to consumers, as the cars are already low on frills. Option E is not viable in the current short-term. Thus, we are left with two options: B and C. out of the two, the option that has a greater chance of impact on sales is option C. Option B only talks of creating awareness, whereas option C creates a program that helps increase sales. Hence, option C is the better option in this case.</p> |
| 5. | 3 | <p>In the given case, we need to select a solution that is both practical as well as takes care of the welfare of the slum-residents. Since the scheme was meant to cater to those who occupied the slums in the year 2009, the committee has the right to ensure the slums are cleared as new houses are ready. But keeping the human angle in mind, the best that can be done is to provide the new dwellers in the slums with provisional shelters that provide them time to find suitable alternates. This way, the slums are cleared, the new houses are occupied by the ones they are meant for and the ones without a shelter have a chance to ensure that their existence is not threatened.</p> |
| 6. | 4 | <p>In the given case, Mr. Thakural has completely mishandled the situation, and the reason for this is his approach. He has adopted an approach that lack necessary sensitivity towards employees, and disregard for the problems of a particular</p> |

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| | | employee is an example of the same. Also, the policy of appraisal followed by him is an inconsistent one, and this has fostered further ill-will in the given case. He needs to have adopted a more pragmatic approach in dealing with situation rather than maintaining such a top heavy approach. This sentiment is best expressed by option D. |
| 7. | 2 | In the given case, we need to identify the solution that would have solved the current crises. The important consideration for this question is that you need to identify the solution for the current crises, and not implement solutions that might have implications in the future. The solution being probed here only has the current scenario of employee mishandling under consideration. How could the current disaster have been handled better? Well, Mr. Thakural could have heard to Mr. Ganeshan's viewpoint for one. And this could have been easily managed if there was an easy access system for him. This makes option B the correct answer. |
| 8. | 3 | The best way of resolving the current stand-off is by talking directly with the people involved in the dispute. A confrontational approach will not work in the given case, and this rules out option B. Option E is like opening a Pandora's box, and only more bad can come out of it. Option D is ruled out |

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| | | here as the HR department is an ineffectual one. Option A is a cunning trick rather than an ethical solution for the problem. This only leaves option C as the desired course of action here. |
| 9. | 4 | In the given case, you need to identify the statements that offer logical solutions for the problem. In this case, statements I and II are definite action points that can help resolve the issue. On the other hand, options III and IV simply talk of avoiding the problem in a way. Since you are responsible for employee welfare, the current situation does fall under your ambit and you are supposed to make sure that you do your best to resolve the crises. Whether your solution is implemented or not is something that is not in your hands but the effort part sure is. The contentious one is statement V. Should it included or not? Since the question is asking for your approach to help resolve the given case, the one question you need to ask yourself is whether statement V helps in that regards? The answer to that question is a yes, and hence it should be included in the correct choice. |
| 10. | 3 | In the given case, the first thing that needs to done is to identify which out of the five statements are genuine solutions to the problem: I. Statement I would definitely help in resolving |

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| | | <p>such cases.</p> <p>II. Statement 2 would ensure that Mr. Thakural is not hamstrung and the company continues to operate smoothly</p> <p>III. Guaranteeing appraisals for a given duration is not the right way to go about things. Appraisals should be linked to performance rather than duration.</p> <p>IV. A better HR department can ensure that such problems do not arise in the future.</p> <p>V. Performance analysis tools are not required in this case, as those are for monitoring appraisals and not for handling extreme situations like the ones given here.</p> <p>VI. This again would only lead to greater dissent and foster feelings of ill-will. The atmosphere should be such that strikes and unions do not come into the picture; banning them won't solve the purpose.</p> |
| 11. | 4 | <p>In this case, the obvious solution would have been to let go of the person, but the problem is that this person is the best in his field of work, and in the given case, it would be loss to the organization as well. In order to have the best of both worlds, the only choice is to retain the employee, yet at the same time set an example that such behavior will not be tolerated. How can this be done? By ensuring the person the person is downgraded,</p> |

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| | | and removed from his management post, and works at the level corresponding to his qualification level. Yet by retaining him, you create a chance for him to contribute fruitfully to the company. |
| 12. | 5 | In the given case, the best approach is the one that resolves the flaws and ensures that existing customers do not face any problem while using the product. Since the wiring flaw leads to failure within a few months of use, there is no way of establishing when the system would go bust and this means that the company would have to take remedial action as soon as possible. This is only ensured by option E. options A and D do not represent ethical acts. Option B might not solve the problems, for reasons stated above. Option C does the right thing but also implies that the company is not owning up to its fault by blaming the electricians. This again does not constitute an ethical way of dealing with the problem. |
| 13. | 5 | In the given case, the company needs to find a solution for a problem where it needs to balance cost-cutting with employee welfare. Since the airline needs to cut costs, it has to let go of the employees. But in order to find an effective solution, the company needs to do it in a way which is the most desirable and makes sure that the employees being relieved do not feel |

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| | | aggrieved. Even though option E would mean that the company would have to bear some costs, it is the best solution forward as it enables the company to lower costs over the long-term and also means that existing employees of the company are not dissatisfied. |
| 14. | 5 | In the given question, we need to explain why the performance of the company has improved in the given year, despite negative numbers in a certain category. The only explanation for this increase can be an increase in another revenue source for the company. Which options provides us this increase? Option E accomplishes the job perfectly for us by showcasing how the revenue of the company has increased. None of the other options fit in the given case. |
| 15. | 5 | The given question is a tricky one with no clear cut solution for the problem. What would be the best course of action? Since it is given the person has a stellar record, we can make an assumption that the manager did what needed to be done in the past one year (keep in mind that this is an assumption we need to make as the data in the given case is indirect and does not clarify the role of the manager). Since the company still managed to do better than some of the companies, it makes sense that the manager can be granted some leniency for the same. Two options take a lenient view: option |

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| | | C and E. Out of these two, option E is the distinctly rational one and hence is selected as the correct answer. |
| 16. | 4 | This is essentially a reasoning question. We need to establish a counter-point so as to why the companies are not using something which can help them survive in the long-term. Well, the answer to this question is simple: they are not sure about the impact and consequences of the said additive. Keeping this mind, we can see how option D fits in the given case and makes the approach of the oil marketing companies logical. |
| 17. | 3 | <p>In the given case, since the farmers are trying to stick to their farmlands and are heavily invested in them, an approach of caution mixed with prudence is required. Forcible evacuation will be avoided by farmers, as they will not leave their source of livelihood. At the same time, the administrator needs to ensure the safety of all. This can be done by mix of steps:</p> <ol style="list-style-type: none"> 1. to motivate people to leave by using the options provided in (ii) and (iv) 2. in case people do not leave, to have a backup option for last minute evacuation. This can be done with the help of the army. |
| 18. | 5 | In the given case, the situation calls for immediate and expedient solutions. The decisions involved in this case will be the ones that would require |

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| | | immediate attention and ones that cannot be delayed under any condition, since the situation on ground would be evolving by the minute. This makes option E the correct answer. Keep in mind that when we select one option, we do not say that the other qualities are not required; what we are essentially picking out is the most important quality of them all. |
| 19. | 3 | In the given case, we need to identify a decision that would have the most positive impact of all and is one decision taken at the policy level. Option C is the best fit in the given case at it represents a solution to the problem of evacuation, one which is the most critical one in the given caselet. Most of the other options are about long-term solutions, which can be implemented at a later stage. |
| 20. | 3 | What we need to find is one reason that does not sit well with the facts in the given case. The option that goes contrary to the facts provided is option C. Since Murthy is still highly regarded in his organization, 'the lack of direction' part seems contradictory to the essence of the passage. The other options explore the genuine hurdles that can be faced by the team and are the ones that can reduce performance levels for sure. |
| 21. | 3 | In the given case, the water is already under the bridge and the only thing that can be done is that corrective action can be taken for future. |

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| | | Retrospectively altering the performance scheme can lead to impression of favoritism and it is best to avoid that. A transparent mechanism announcing the new performance benefits would act as enough motivation for the next year and would mean that Murthy's team is back on track. |
| 22. | 3 | In the given case, the best bet is the North Indian. The first criterion that needs to be fulfilled is that the person should have the skills for the job. In the given case, only two people have the skills. Out of those, one is not willing to join, so the other would have to be employed. And hence, the North Indian is selected. The company can gamble with one of the two South-Indians but then it might have to face incremental costs because of their lack of knowledge. Thus, option C is the advisable course of action. |
| 23. | 2 | In the given case, the two best solutions that you can employ are the ones that ensure you get the right talent at the right price. By ensuring that you have a comprehensive training program, you can hire recruits at the right cost, and ensure that the training given to them takes care of the company needs. Also, by visiting college campuses directly, you can ensure that you can identify talent at nascent stages itself and use it in the right manner. Statement I offer a fanciful and impractical solution. Statement III does not really |

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| | | solve the problem of insufficient talent. Statement IV is not a cost-effective solution for the problem. |
| 24. | 2 | In the given case, the damage has been done and only corrective measures can be taken now. The first thing that needs to be done is the negativity around the company needs to be dispelled. For this, the first step is to challenge that cause of negativity itself, that is the faulty product. The product in question cannot be replaced per se but offering an attractive exchange scheme can reduce the damage. This, coupled with new brand building exercise, can lend Benovo a sigh of relief. The one choice that comes close is statement I. A recall is an attractive option but not a cost effective one, and since the new product is out, a replacement scheme can work that much better in the given case. |
| 25. | 3 | The one thing that the answer options do for you is help you ascertain that either 3 or 4 are the first two amongst the choices and 1 or 2 are the last. It is easy to identify 1 as the last possible choice, as it gives the company the least amount of benefit, monetary or otherwise. Out of 4 and 2, 4 is the preferable one for the reason that these laptops belong to the ultra-light series and can offer customers an alternate. Out of 3 and 4, option 3 is the best one in this case as it provides the company the extra mile of promotion and goodwill |

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| | | that it desperately needs at the moment. Hence, we arrive at option C as the correct answer. |
| 26. | 4 | In the given case, questions 1, 2, 3 and 4 are all significant questions that deserve an answer. The last question is the dicey one. The question, had it been phrased as “Will/What fraction of city and locality heads would shift to other such multi-level marketing schemes?”, would have been a perfectly apt one as it would give the CEO an idea about the impact of such a move. The phrase “how many” is incorrect in the given case and should not be used here. |
| 27. | 3 | In the given case, there is only one conclusion that we can genuinely infer from the given scenario: such a scheme limits the reach of its products to its members only. The other options are effectively opinions that may or may not be true in the given case, and we cannot be sure about them; and these options cannot be gauged from the context provided. Do remember that you need to assess the situation but not select an opinion as an answer. You need to stick to grounds of solid reasoning all along. |
| 28. | 2 | On first perusal, you should be able to rule options A, C and D. These are not advisable solutions and actually do not solve the problem of identifying the correct business model. Options B and E are similar ones, with the only difference being the |

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| | | mode of operations of the schemes. We obviously select option B as that is the model the company wants to adopt, it wishes to use the two approaches simultaneously, testing them independently won't be of any use. |
| 29. | 2 | In the given case, the explanations which can be accepted are the ones that take onus of the core-committee and places it outside their hands. Statement i, if you look closely, has no impact on the situation as the company has an Indian audience and does not depend on global demand. Additionally, statement i does not showcase how project development of the new units is impacted. Statement v actually shows that the core-committee erred as they did not administer the situation in the right way; lower and middle management not doing their job means that the top management erred and thus, this cannot be accepted as valid reason. Statements ii, iii and iv are valid reasons that explain the situation and show that how the core-committee could not have done anything to reconcile the situation. |
| 30. | 4 | This is a tricky question. We need to select the best one out from a series of alternatives and in a way, it requires subjective analysis. In the given case, since we need to find a way out, we leave out the options that talk about shelving the project. Remember, the questions wants us to identify an |

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| | | answer option that best explains how the project can brought back on track, in a way, the option that provides immediate solution for the problem. The immediate solution we seek is provided by option D, as it talks of immediate steps that can be taken to ensure that the project development is not hindered and can be completed keeping in mind the current conditions. |
| 31. | 2 | Out of the above, statement (iii) is a viable solution to the problem. Statement (i) represents an extreme course generally not advisable, as it can lead to further chaos and dissatisfaction. Remember, only few of the team members have made the mistake. Statement (ii) represents a unilateral view of the committee head and assumes that he did not commit any mistake, something we cannot assume in this case. Statement (iii) represents the most balanced and well-thought solution for the problem. Statement (iv) can actually create a lot of ill-will and lead to further chaos in the company. |
| 32. | 3 | In the given case, you need to make a choice between options C and D. Since in the given case the A2Z manager is not sure about the abilities of Bindalco, it is advisable that he assess them first and then only proceeds with a long term association with the company. Statement iv does not state a scenario that should not taken up, but |

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| | | when we consider it with respect to the scenario given in statement iii, we can see that is the best way out; a complete order should only be placed if the A2Z manager is certain about Bindalco's abilities. |
| 33. | 2 | <p>The preferred order in this case would follow the logic:</p> <ol style="list-style-type: none"> 1. understand the client needs (statement iii illustrates this) 2. make sure you have the necessary capabilities for the same (statement ii illustrates this) 3. push for the sale (statement i illustrates this) <p>Thus, with the help of this simple analysis, we arrive at option B as the correct answer.</p> |
| 34. | 3 | <p>In the given case, since the manager clearly went out of line before making the offer, he needs to make amends for the situation, and along with that, he needs his superiors in his organization (the CEO in this case) to know the specific details of the case. The most ethical conduct in this case would be the course of action recommended in option C and the manager would do well to follow that. Out of the other options, option D comes close but what differentiates it from option C is the fact that it does not carry the clause of disclosure that is present in C (which makes C the better answer).</p> |
| 35. | 3 | In the given case, A2Z would do well to maintain an |

objective approach and ensure that it takes a decision that is in the best interest of the company. In the given case, the best interests of A2Z are arrived at by keeping i, iv and v in mind. Statement i is obviously in the company's best interests, statement iv talks about the company maintaining its objectivity in the situation, and statement v ensures whether the claims made by the two companies would stand scrutiny or not. Statements ii and iii are prejudicial in nature, whereas in this case, A2Z needs to maintain its objectivity; the events of the past, though relevant, cannot dictate the present course of events.

Actual Decision Making Questions 2016

DIRECTIONS *for questions 1 – 2: Analyse the following caselet and answer the questions that follow:*

The City of Yashmund is served by licensed taxis operating on officially sanctioned metered rates and driven by licensed drivers who do not own the taxis but pay a monthly rent to the taxi-owners. Shaliesh Nair, the mayor of Yashmund, perceived that most of these taxis do not offer sufficient comfort and safety to passengers.

1. The Mayor wants the owners and drivers to care about comfort.

Which of the following decisions, IF TAKEN, is MOST LIKELY to increase the comfort levels of passengers?

1. The mayor issues a guideline that taxis will be randomly inspected by the police for the comfort level.
2. The mayor ensures banks grant drivers loans to own cars. Owner driven cars generally offer greater comfort.

3. The mayor introduces licensing of air-conditioned taxis which can charge increased rates to the rich customers.

4. The mayor introduces a feedback system that records passenger satisfaction with comfort levels; this will affect renewal of annual taxi license.

5. The mayor permits doubling metered rates which will ensure enhanced income for owners to invest in greater comfort.

2. The mayor wants to involve the car owners in finding a solution to the problem of comfort and safety. He is concerned that the customers may not be willing to pay more for safety.

Which of the options below is MOST LIKELY to convince the owners?

1. The taxi owners who clear comfort-inspection can charge higher rentals from the drivers and drivers with impeccable safety record can charge the same from customers.

2. The taxis that clear comfort-inspection can charge 25% above the metered rates; studies have shown that customers are willing to pay around 18% extra for comfort.

3. If a taxi owner has a consistent record of comfort and safety the government will subsidize a second loan.
4. Taxis can charge 25% more if they clear comfort-inspection. However, owners of the taxis found compromising on safety will be jailed.
5. Taxis that pass comfort-inspection test can charge 25% more. Should they violate any traffic rule this privilege would be withdrawn.

DIRECTIONS for questions 3 – 4: *Analyse the following caselet and answer the questions that follow:*

Chatterjee, the MLA of Trikathapur, owes his election success to his close friend and businessman Ghosh. The victory had appeared unlikely for Chatterjee after the arrival of Bhowmick, a budding politician with hordes of money. However, his clean image along with Ghosh's money ensured Chatterjee's resounding victory.

3. After the elections, Ghosh requested Chatterjee to sanction the land adjoining his factory, for expansion. However, the requested government land was a green belt reducing harmful pollution from the factory.

Which of the following is the BEST option for Chatterjee in these circumstances?

1. Chatterjee should approve the sale only after Ghosh plants a large number of trees around the factory and the city.
 2. Chatterjee should oblige Ghosh provided he recruits 20 locals as his employees on condition that they plant and maintain a tree each in their locality.
 3. As Ghosh is paying market rates Chatterjee should approve the sale with no riders.
 4. Chatterjee should approve the sale and ensure that the green belt is shifted to a different tract of land outside the city, purchased from the proceeds of the sale.
 5. Chatterjee should unconditionally approve the transfer of the land to Ghosh as a token of gratitude.
4. Inspired by Bhowmick's manifesto, Chatterjee is contemplating a green policy which can adversely affect Ghosh's business interests.

Which of the following actions from Ghosh is likely to convince Chatterjee NOT to pursue this policy?

1. Request Chatterjee to defer implementation of the green policy by 3 years, the time needed to make his factory green.
2. Remind Chatterjee that it is for his clean image that people voted him and not for Bhowmick's green policy.
3. Warn Chatterjee that all industrialists will turn against him and despite his clean image he may be hated by the industry.
4. Appeal to Chatterjee's sympathy citing the potential loss his business will suffer if the policy were to be implemented.
5. Threaten Chatterjee that he should not take his loyalty for granted as Bhowmick has invited him to join his party.

DIRECTIONS for questions 5 – 7: Analyse the following caselet and answer the questions that follow:

Indian Institute of Research is a Government-established body, to promote research. In addition to helping in policy making, it also provides free online access to all

the articles to the public. It has a mission of publishing high quality research articles. Till 2010, the publication of articles was very slow because there was no incentive for researchers to publish. Researchers stuck to the mandatory one article a year. Most of the researchers engaged in offering consultancy and earned extra income. Since its inception, the institute was considered the best place for cutting edge research. The new director of the institute was not happy with the work done by researchers in silo and came out with a new research policy in 2013 to increase research output and improve collaboration among researchers. It was decided that extra benefits would be offered to researchers with new publications. As a result, the number of research articles increased fourfold in 2014. At the 2015 annual audit, an objection was raised against the new benefits scheme. Auditors¹ were not happy with increased expenses towards remuneration for researchers. Further, the Government opined that the publication was itself a reward and hence researchers need be paid nothing extra. The director tried to defend his policy but the response from the government was not encouraging.

1. Note: Auditors role is to verify accounts.

5. The following facts were observed by an analytics team hired by the government to study the extant situation.

1. There was a four-fold increase in the number of researchers leaving the organization in 2014.
2. A researcher died while on duty.
3. The quality of articles published declined substantially.
4. The average number of people accessing an article decreased by 2%.

Which of the following options would justify the government's intention to DISCONTINUE the scheme?

1. 1 and 2 2. 2 and 3 3. 3 only
 4. 4 only 5. 3 and 4
6. The director still wanted to persuade the government to review its stand. He had framed the following arguments:
1. Most famous researchers in the world are also the highest paid.

2. American institute of research gives extra benefits to its scientists,

3. This year's highest paid researcher had won the Nobel Prize last year.

Considering the Government to be reasonable which of the following options is UNLIKELY to convince the Government?

1. 1 and 2

2. 2 only

3. 2 and 3

4. 1 and 3

5. 1, 2 and 3

7. The director wanted to promote good decision making at Indian Institute of Research. A few trusted colleagues offered the following suggestions:

1. Auditors need not be allowed to object to extra benefits schemes.

2. Auditors need not pin-point sudden increase in expenditure.

3. Auditors need not be consulted before taking any policy level decision.

Which of the following combination of options should the director agree THE MOST with?

1. 1 and 2

2. 2 only

3. 2 and 3

4. 1 and 3

5. 1, 2 and 3

DIRECTIONS for questions 8 – 9: *Analyse the following caselet and answer the questions that follow:*

Kamal Chinnappa, Vimal Rao, Ganesh Krishnan and Dinesh Kumar own a saloon each on the Barbil street. They are the only hairdressers on that street. Each of them offered three services viz. haircut, shaving and hair-dye. One evening, all four of them met in a nearby tea-stall and agreed to charge Rs. 100 for any of the three services (haircut, shave and hair-dye) on weekdays. They also agreed to increase this rate to Rs. 115 on weekends and holidays. All verbally decided to implement the agreement

8. The following day Kamal, being the most competent hairdresser on the street, was contemplating charging higher than agreed upon price.

Which of the following would enable him to charge more with minimal violation of the agreement?

1. He should introduce a new and specialized service at Rs. 130.

2. He should open another shop on the same street and charge Rs. 150.

3. He should charge Rs. 130 for those wanting to jump the queue.

4. He should charge Rs. 115 for a service to a particular customer and give the next service free.

5. He should open his shop two hours before others and close it two hours after.

9. Vimal relies heavily on a bunch of loyal customers. He is concerned about retaining them.

Which of the following options should he choose if he does not want to violate the agreement?

1. He should charge differential rates for loyal customers.

2. He should charge the loyal customers lower.

3. He should make every third visit free for his loyal customers.

4. He should charge all the agreed upon price.

5. He should allow his loyal customers to jump the queue.

DIRECTIONS for questions 10 – 12: Analyse the following caselet and answer the questions that follow:

| Person | Designation | First Preference | Second Preference | Third Preference |
|---------------|-----------------------------|-----------------------------|---------------------------|---------------------------|
| Bhatia | Vice President | Ground floor flat | Price < Rs. 50lacs. | Shopping mall within 5km. |
| Patel | Client Relationship Manager | Distance to office < 10 km. | Recreation Club | |
| Khan | Project Manager | Recreation Club | Place for morning walk | Car parking |
| Singh | Senior Software Engineer | Shopping mall with 15km | Price < Rs. 30lacks | Place for morning walk |
| Yadav | Assistant Software Engineer | Price < Rs. 50lacs | Distance to office < 10km | |
| Lingdo | Assistant Software Engineer | Recreation club | | |

Six people working at the Bengaluru office of Simsys are planning to buy flats at a real estate project at Whitefield. Their preferences are listed below:

They have identified 7 real estate projects with following facilities available (marked with√):

| Real Estate Project | M | N | O | P | Q | R | S |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Price | Rs. 60-80 lacs | Rs. 45-50 lacs | Rs. 20-25 lacs | Rs. 65-80 lacs | Rs. 35-45 lacs | Rs. 25-40 lacs | Rs. 20-30 lacs |
| Distance to office | < 5km | < 10km | > 20km | > 15km | <2km | <10km | <5km |
| Place for morning walk | √ | √ | √ | √ | √ | √ | |
| Recreation Club | √ | | | | √ | | √ |
| Distance to shopping mall | Inside | > 25km | < 2km | Inside | < 5km | > 10km | >20km |
| Car parking facility | √ | | √ | | | √ | √ |
| Availability of ground floor flat | | √ | | | | √ | |

10. Identify the project(s) where NONE of the 6 persons will be 'satisfied'.
1. M only
 2. N only
 3. P only
 4. N and P only
 5. In all projects at least one person will be 'satisfied'.
11. Identify the project(s), where AT LEAST 3 of the 6 persons will be 'satisfied'.
1. M only
 2. S only
 3. Q and R only
 4. M, Q and S only
 5. M, Q and R only
12. The marketing managers of all the six projects have agreed to add a recreation club and a car parking facility to the projects. In this changed scenario identify projects where AT MOST 2 of the 6 persons will NOT be 'satisfied'.
1. N, Q and R only
 2. P only
 3. M and P only
 4. N and P only
 5. M, N and P only

DIRECTIONS for questions 13 – 15: Analyse the following caselet and answer the questions that follow:

Purushottam Bhatnagar owns and operates a sweetshop Puru and Sons. He is about 60 years old and is eager to hand over the business to his sons Ratan and Pramod. He however, fears that his sons, fresh from college may not understand the tricks of the trade.

- 13.** Purushottam sends a batch of sweets to the Police station across the street every day. Ratan construed it as a bribe and wanted to stop this practice.

Which of the following arguments, IF TRUE, would BEST convince Ratan NOT to give up this practice?

1. In the last three years, three attempts to burgle *Puru and Sons* were effectively foiled by the Police.
2. Each policeman receives only two pieces of sweet, too small to be considered a bribe.
3. The police in return send two policemen in mufti to mingle with the customers during rush hours to prevent pickpockets.
4. Every day, Purushottam also sends a batch of sweets to the school next to the station, an

orphanage nearby and the temple at the end of the street.

5. Purushottam's competitor Uttampurush who runs a *sweetshop* in the same street and his neighbour Mahapurush who runs a *samosa* stall, both do similar things every day.

14. Purushottam's eldest son discovered that the shop repackaged sweets that were close to expiry and sold them at a discount under different names. These sweets usually get sold very fast. But his son was concerned about the possible consequences of this practice.

Purushottam was thinking of the following arguments to convince his son.

1. These sweets are consumed the same day and therefore there is no cause for worry.
2. Reduced prices give enough indication about the sweets to the customers.
3. These products are preferred by those who cannot afford full price and in a way, this is a service done to them.

4. In the past 30 years not a single person has reported ill because of consumption of these sweets.

5. Repackaging and selling sweets is a common practice.

Which combination of arguments below is MOST LIKELY to convince Ratan?

1. 1 and 3

2. 1 and 4

3. 2 and 3

4. 2 and 5

5. 4 and 5

- 15.** Purushottam's younger son Pramod discovered that 10% of their customers whom Purushottam called *privileged* customers purchased sweets at prices fixed 10 years ago (which is significantly lower than the current prices). Purushottam told him, "This 10% are my core and loyal customers with whom I have personal connect and therefore they deserve this privilege". Pramod refuted his father's argument citing the following information.

1. These customers form the top 20% of the income bracket of the city.

2. These customers frequently purchase from other sweetshops at market prices.

3. None of them recognises and greets Purushottam at the shop or at anywhere else.
4. None of them was present at Pramod's marriage.
5. These customers actually buy sweets at *Puru and Sons* for others not part of the core and loyal customer group.

Which of the following combination of the above will MOST LIKELY convince Purushottam to charge market price to all?

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|------------|------------|------------|
| 1. 1 and 2 | 2. 2 and 4 | 3. 2 and 5 |
| 4. 3 and 4 | 5. 4 and 5 | |

DIRECTIONS for questions 16 – 18: Analyse the following caselet and answer the questions that follow:

Recently a private food testing agency reported the presence of a harmful chemical in *Crunchy Chips*, a product of a fast moving consumer goods giant. The report sparked a nationwide outcry.

- 16.** Rajan Shekhawat, the CEO of the company, feared this incident might affect the company's image among consumers. Rajan had the following options:

1. Apologizing publicly for this inconvenience and immediately withdrawing the products from all stores.
2. Communicate 'the correct findings' to the public.
3. Hire a reputed independent testing agency to verify the claims of the report.
4. Establish internal mechanisms to prevent repetition of such incidences in future.
5. Give higher incentives to distributors and retailers for selling the company brands.

Which of the following would be the MOST APPROPRIATE ORDER of options for Rajan, starting from the immediate?

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|------------|------------|------------|
| 1. 3, 1, 5 | 2. 3, 2, 4 | 3. 1, 3, 5 |
| 4. 1, 2, 5 | 5. 5, 3, 2 | |

17. Mukesh Routray, a shopkeeper in a remote village was surprised to read in the newspaper, his only source of information, about harmful chemicals in *Crunchy Chips*. He had stocked a large quantity of *Crunchy Chips* for the forthcoming festive season. He also realized that people in his village are

completely unaware of this controversy. He had the following options:

1. Sell the entire stock at a discount before the news spreads.
2. Destroy the entire stock and advise customers not to buy this product from other shops as well.
3. Donate the entire stock of Crunchy Chips to a local orphanage.
4. Inform customers about the controversy but understate its seriousness.
5. Ignore the news and sell the stock at the forthcoming festive season as planned.
6. Explore the veracity of the report and then take decision.

If arranged from ethical to unethical which of the following is DEFINITELY the WRONG order?

1. 6,5,1 2. 6,1,4 3. 4,5,1 4. 2,4,3 5. 2,4,1

- 18.** An independent and trustworthy confidante of Rajan Shekhawat, the CEO of the company, informed him that one of their main competitors had bribed the food testing agency to manipulate the report.

Which of the following actions will BEST help *Crunchy Chips to bounce back*?

1. Proclaim over the media that their product is completely safe.
2. Secretly hire a food testing agency to ascertain the quality of the competitor's product.
3. Hire another food testing agency to test and communicate the outcome to the consumers.
4. File a defamation case against the competitor for their alleged involvement in the conspiracy.
5. File a defamation case against the food testing agency.

DIRECTIONS for questions 19 – 21: *Analyse the following caselet and answer the questions that follow:*

Nicky, Manoj and Benita are graduates from a top ranked B-school. They joined ABC corporation a year ago. ABC is known for its performance oriented culture. This is the first time the organization recruited from a top ranked B-school. They are part of a five member team with two others from lower ranked B-schools. Nicky, Manoj and Benita draw 40 per cent higher salaries than other team

members. This team reports to Amelia Ganesh murthi, a senior executive.

19. Amelia is disappointed with the performance of Nicky, Manoj and Benita. She came to know that ABC was not their first choice and they had spent the first ten months applying to other organizations. However, they have now started liking ABC and promised to do their best henceforth. Amelia has to rate their annual performance and decide about their future. She has the following choices:

1. Fire them from ABC for insincerity and save the organization's time and money.
2. Give them average ratings with a year to prove their worth and fire them from ABC if they fail to show significant progress.
3. Impose a pay-cut of 15% since they have not delivered on the promise, but give them relatively high ratings.
4. Give them relatively poor ratings with one year time to improve and fire them from ABC if they fail to show significant progress.

5. Give them high ratings and give them a second chance to prove their worth.

Which of the following options rank the above choices in the order of MOST APPROPRIATE to LEAST APPROPRIATE?

1. 1, 2, 4

2. 2, 1, 4

3. 4, 2, 5

4. 4, 3, 1

5. 5, 2, 3

- 20.** Recruiting Nicky, Manoj and Benita was part of a larger initiative to make the organization attractive to prospective employees. Recently Amelia's boss informally told her that the trio's perception of the organization might influence future recruitment from top B-schools. However, the trio had already expressed their unhappiness about the organization to Amelia. She suspected that her promotion due next year might depend on the trio!

Which of the following is the BEST way for Amelia to deal with this situation?

1. Henceforth, she should be lenient with the trio.

2. She should promise the trio an early promotion if they can help her recruit good talent from top B-schools.

3. Henceforth, she should occasionally invite the trio for dinner and informal outings.
 4. She should tell her boss that it is unfair to link her promotion to the trio's behaviour.
 5. She should convey the trio's unhappiness to her boss.
- 21.** Nicky's performance on the job is disappointing though she is considered a very helpful person outside the workplace helping her teammates and others in the organization with their personal needs e.g. finding a place to rent, a good place to get homely food etc. On the other hand, Manoj and Benita are performing well in their respective jobs and are perceived by their teammates as important to the team. But they are not interested in helping outside the workplace. Amelia has to decide the future of the trio. She has the following options:
1. Inform the higher authorities about Nicky's poor performance and ask them to take a call.
 2. Send Nicky for a one month training earmarked for top performing employees.
 3. Serve Nicky an ultimatum to improve within the next six months or get fired.

4. Even though they performed well, give Manoj and Benita average ratings because of their disinterest in helping outside workplace.
5. Give Manoj and Benita high ratings based on their performance.

Which of the following combination of above options will be the MOST APPROPRIATE?

1. 1 and 5 2. 2 and 4 3. 2 and 5
4. 3 and 4 5. 3 and 5

DIRECTIONS for questions 22 & 23: Analyse the following caselet and answer the questions that follow:

Geetha Gawde can cultivate up to 6 crops a year. Crop A and B are ready for harvest in 2 months; crop C and D in 3 months, and crop E and F in 4 months. Crop A can be cultivated from January to June; crop B can be cultivated from April to September; crop C can be cultivated from May to December; crops D as well as E can be cultivated from August to December, and crop F from November to May. If Geetha plans a change of crop the soil should be left fallow for one month; however, if the same crop is sown no fallow time is needed. Sowing takes place only at the beginning of a month. Geetha can only harvest a maximum of 1000 units of any crop at any point in time.

The *production cost per unit* (incurred at the time of sowing) and *price per unit* of crop are as follows:

| Crop | Production cost per unit crop (in USD) | Price per unit crop (in USD) |
|------|---|---------------------------------|
| A | 20 | 60 |
| B | 5 | 55 |
| C | 25 | 70 |
| D | 15 | 75 |
| E | 5 | 65 |
| F | 35 | 75 |

For Geetha soil preparation does not incur any cost. If a crop is abandoned before the scheduled harvesting, she gets no money. Geetha is preparing a cropping schedule to maximize her annual profits (i.e. price - cost). She plans to replicate the schedule in the coming years.

22. Which of the following would DEFINITELY be a part of the ideal schedule?

1. Cultivate crop B in August or September,
2. Cultivate crop B from April to September.
3. Do not cultivate any crop in August but cultivate crop D in September.
4. Cultivate crop D or crop E in August or September.

5. Do not cultivate any crop in August; but cultivate crop D or crop E in September.

23. Which of the following schedules would maximize her annual profit while minimising the costs, if Geetha decides NOT to repeat a crop in a calendar year?

1. Crops A, B and E 2. Crops B, D and F
3. Crops B, D, E and F 4. Crops C, D and F
5. Crops A, B, D or E

Answer Key Actual Decision Making Questions 2016:

| Q. | Key | Explanations |
|----|-----|--|
| 1. | 4 | The mayor's action will force the owners and the drivers to care about comfort as otherwise they stand to lose the license. |
| 2. | 4 | The only close choices are C and D. We need to address both the issues – safety and comfort. People won't pay more for safety, so the owners can be allowed to charge more for comfort, that would be an incentive and safety issues can be handled by threat of punishment. |
| 3. | 1 | The green belt is needed near the factory to reduce its pollution and Ghosh has requested for the land. Option A fulfils both the conditions. |
| 4. | 2 | Option A and Option b are close. As the statement clearly says that Chatterjee was inspired by Bhowmick's Manifesto, Option B is the correct option. |
| 5. | 3 | The main reason here is quality degradation. Thus, option C is the answer |
| 6. | 5 | 1, 2, and 3 are weak arguments in favor of giving extra benefits to the scientists. |
| 7. | 4 | The role of the auditors is to verify accounts; as such the director cannot ask them not to do this. 1 and 3 do not fall within the role of the auditors, so the director can agree with these options. |
| 8. | 1 | All the four hair dressers have agreed to charge a |

- particular sum for three particular services, as such kamal cannot charge more for them but can charge more for a new specialized service.
9. 5 All the four hair dressers have agreed to charge a particular sum for three particular services, as such vimal cannot offer any discounts or charge a different price, so he can only allow his loyal customers to jump the queue.
10. 3 For project P, none of the persons will be satisfied. Persons Bhatia, Singh and Yadav are rejected due to price. Patel, Khan and Lingdo are rejected due to Recreation Club.
11. 4 M, Q, S are the projects for which at least 3 people will be satisfied.
12. 1 Project P is not satisfied by 3 persons namely Bhatia, Singh and Yadav even after adding two facilities to the projects. So definitely person P is out. So only A option satisfies such scenario.
13. 4 Option D clearly tells that what Ratan understood as a bribe, was not so.
14. 2 1 and 4 support Purshotam's argument that the sweets can be repackaged and can be sold at a discount.
15. 3 Purshotam gives discount to the customers for their loyalty 2 and 5 show that the customers are not loyal and some of those benefitting from the discount are not his loyal customers.
16. 2 As the CEO, Rajan has to first verify the claims of

the report, make the correct findings public. And make sure that this does not happen in the future.

17. 3 The order has to be unethical to ethical. As 6, and 2 are ethical actions, so C is the correct option.

18. 5 The action is needed to bounce back and the statement talks about the competitors manipulation of the report. Option E addresses this issue.

19. 3 5 being the least appropriate action the correct option is C.

20. 5 Option A, B and C are unethical and D is not a prudent action. therefore the best option is E.

21. 5 Taking note of manoj and Benita's performance 5 is a must; looking at nikki's poor performance at work, it is best to serve her an ultimatum.

22-
23.

| CROP | A | B | C | D | E | F |
|-------------|---------|-----------|------|-----|------|----------|
| (in months) | 2 | 2 | 3 | 3 | 4 | 4 |
| Cultivation | January | April | May | Aug | Aug | November |
| | - | - | - | - | - | - |
| | June | September | Dec. | Dec | Dec. | May |

22. 3 The ideal schedule would be B (April, May) – B(June, July) – 1 month break (August) – D (September, October, November) – 1 month (Dec) – A (Jan, Feb)

23. 1 Going by the options.

$$(A) \text{ Profit} = A(40) + B(50) + E(60) = 150$$

(B) Profit = $B(50) + D(60) + F(40) = 150$

(C) for crops B, D, E & F – Arrangement is not possible.

(D) Profit = $C(45) + D(60) + F(40) = 145$

(E) For Crops A, B, D/E, Profit = $A(40) + B(50) + D/E(60) = 150$

Thus, maximum profit is for options A, B and E.

But we also have to minimize the costs. The cost is minimum for Option A.

Actual Decision Making Questions 2017

DIRECTIONS for the question: Read the following information and choose the best alternative:

1. Genius Consulting is a boutique consulting firm started by Shirish, Balram, Rahman and Xavier, four friends from a premier business school. They committed themselves to abide by two principles: a) not to indulge in anything unethical and b) share earning equally. Genius Consulting could not get a significant project till the following year, when they managed a big one after Rahman's father referred their firm to his top management. Convinced of the team's talent following an impressive presentation, the top management awarded them the project even though six other referred teams made presentations. The day following the presentation, they met to decide the way forward for the organization. Which of the following choices would be the most appropriate for Genius Consulting?
 - A) As this project violates both their principles. Genius consulting should not take up the project.
 - B) Due to the violation of the first principle Genius consulting should not take up this project.

C) They should take up the project. Further, since Rahman had agreed to equal sharing, he is not entitled to finder's fee.

D) They should take up the project and as the referral helped them survive, Rahman should be paid finder's fee.

E) They should take up the project. But in order not to violate the principles, Rahman can be paid finder's fee this year and an equal amount be deducted from his compensation the next year

DIRECTIONS for the question: Read the following information and choose the best alternative:

2. Mrs Biswas was to retire in one year after serving in the construction department of the Gujarat government for more than thirty years. After retirement, she wanted to spend her retired life along with Mr Biswas, a retired school teacher in a small town in Kerala, They had two children, both studying in Bengaluru, the Biswas' wished to construct a house in Kerala with their life savings. The couple gathered information about owning a house in Kerala. They had four options:

- A. Buy a fully furnished house from a big developer.
- B. Buy a semi-furnished house from a big developer and furnish it,
- C. Get a local unregistered contractor to construct a house and furnish it
- D. Mr Biswas wish inputs from the family could supervise the construction of a house back in Kerala by employing the best material, engineers, masons and labourers

Which option would **ENSURE** the best control of quality of construction for the Biswas'?

- A) The first option would ensure the best quality.
- B) The second option would ensure the best quality
- C) The third option would ensure the best quality
- D) The fourth option would ensure the best quality.
- E) Any of the options will equally ensure the best quality

DIRECTIONS for the question 3-4: Read the following information and choose the best alternative:

3. Mrs Biswas was to retire in one year after serving in the construction department of the Gujarat government for more than thirty years. After retirement, she wanted to spend her retired life along with Mr Biswas, a retired school teacher in a small town in Kerala, They had two children, both studying in Bengaluru, the Biswas' wished to construct a house in Kerala with their life savings.

The couple gathered information about owning a house in Kerala. They had four options:

- A. Buy a fully furnished house from a big developer.
- B. Buy a semi-furnished house from a big developer and furnish it,
- C. Get a local unregistered contractor to construct a house and furnish it
- D. Mr Biswas wish inputs from the family could supervise the construction of a house back in Kerala by employing the best material, engineers, masons and labourers.

Which of the following additional information, IF TRUE, would improve the chances of the third option being preferred?

A) Based on the current information, with no additional information, the third is the best option.

B) Among local property holders, the contractor in the third option enjoys a good reputation

C) Big developers are less open to changes in design

D) Mr Biswas cannot stay back alone to supervise the construction

E) The Biswas' want to select the furniture on their own

4. The Kerala Government recently announced a policy: In case of major quality infringement, the builder will pay a penalty of 50% of the price of the house in addition to the price of the house, to the client within a year of notice. Rank in ASCENDING order the options that would ensure "control of quality".

A) A, B, C, D

B) B, C, D, A

C) C, A, B, D

D) D, C, A, B

E) D, A, B, C

Answer Key Actual Decision Making Questions 2017

| Q. | Key | Explanations |
|----|-----|--|
| 1. | C | Since company is formed with a motto of ethics and equal compensation, it should not be disturbed. Compensation, should not change based on who gets the business because tomorrow someone else might get the business or getting business may be a role assigned to one member, while others play equally important but different role. It is not an unethical situation because the project was won on the basis of capability and not because of favour from Rahman's father. Hence, C is the best option as no one is favoured |
| 2. | D | In options A, B and C, the house owner lacks control over the quality of construction. However, in option D the owner can monitor discrepancies on an everyday basis and take corrective actions, if required, especially given Mrs. Biswas professional experience. Option D is equivalent to continuous monitoring which is superior to one time monitoring in other options. Hence, option D is the best answer. |
| 3. | B | If the builder had good reputation among the local house owners, it means that the builder has been constructing houses to the satisfaction of the local house owners which |

| | | |
|----|---|--|
| | | probably would mean that the builder should be able to assure good quality. Hence, option B is the answer. |
| 4. | C | If builders are forced to pay penalty for bad quality then they are more likely to deliver good quality, though it would be difficult to force the penalty on unregistered builders. The chances of unregistered builder improving quality because of penalty are lower, as the builder can, more easily, escape the clutches of law. Hence, the right set of option should start with C. It gives us C as the right answer. |

Actual Decision Making Questions 2018

DIRECTIONS *for questions 1 -3: Analyse the following caselet and answer the questions that follow*

1. Satyender heads a branch of a Micro-Finance company. The company provides small-size loans catering to rural households. As the head of the branch, he supervises three collection officers- Paiani, Sayed and Godwin. Palani was recently transferred by the company from another branch.

Sayed feared Palani's transfer may pull down the performance of the branch, as he felt Palani was transferred due to his poor performance in the previous branch. Which of the following information will most likely assuage Sayed's fear?

A) In the past 12 years, as the head of the branch, Satyender has exceeded targets every time.

B) Palani has been a top performer in the organization; his performance has deteriorated only in the last three years

C) The branch's performance has been good for the past 10 years; Sayed has joined the organization 3 years back.

D) When Sayed joined as a fresher in this branch, others in the branch had feared that he might bring down the performance of the branch.

E) While calculating the branch's performance, the branch head has the choice to exclude new joinee's performance.

2. Three months later, Palani submitted local travel bills to Satyender for reimbursement. Satyender realized that the bill amount was 30% higher than expected. Which of the following options, if true, will enable Satyender take a decision that shall set a precedent, which is least likely to be misused in the future?

A) Palani being a new to the area uses autorickshaws which are more expensive than personal motorcycles used by other collection officers.

B) Unlike his colleagues, Palani's house has very poor public transport connectivity

C) Unlike his colleagues, Palani's sales territory has a powerful competitor.

D) Unlike his colleagues, Palani's customers can meet him only during weekends

E) Unlike his colleagues, Palani has to visit customers repeatedly as they require additional persuasion.

3. Satyender is allocating territories to his subordinates for the coming financial year. So far, Palani's performance has been poor and this allocation will decide his future in the organization. Which of the following information will be the least useful to Satyender in taking a fair allocation decision?

A) Sayed's territory has shown consistently good performance in the past three years

B) Sayed's territory faces stiff competition from a well-known brand

C) A new territory that faces competition from two relatively unknown brands

D) Godwin's territory has shown consistent results in the past three years

E) Godwin's territory performance has been flat for the past two years

DIRECTIONS for questions 4 - 6: *Analyse the following caselet and answer the questions that follow*

4. Lal & Sons, a family business, comprises three different companies in three different industries. Sudarshan Lal was heading this entire business from the inception. Two years ago, he hired three managers, one for each company and Chhaganlal Jha as Chief Executive Officer (CEO) to look after the entire business. These three managers are reporting to the CEO. However, Sudarshan Lal and his family still own the entire business, though they are not involved in day to day operations.

Two years after the handling over, Sudarshan was concerned that none of the companies, except one, is profitable. Which of the following information, if true, will most likely reduce Sudarshan's concerns?

- A) A leading financial institution recently advised its investors to purchase the shares of the two loss making companies with a long term outlook.
- B) The Corporation's performance as stagnant for three years, before Sudarshan handed it over to professionals.
- C) The best performing division belongs to an industry, which is growing in double digits.

D) People holding senior positions have been replaced two years ago by fresh and young talent.

E) The rate at which employees are leaving the best performing division is higher than the industry average

5. One of the senior employees who left Lai & Sons in recent past have explained Sudarshan that the long cherished values of the organization as well as respect for elders. Job security etc. are being-compromised. Which of the following options, if true, will indicate to Sudarshan that the employees are misleading him?

A) The replaced employees have been average performers for many years

B) When senior employees were assigned to lead challenging but critical positions in the organization, they resigned.

C) The senior employees were replaced by people below them and not from outside the organization

D) The replaced senior employees had only 4 more years of service and were not compensated for the pre-mature termination.

E) The number of senior employees voluntarily leaving this organization is lower than the industry average

6. Chhaganlal Jha, the CEO, was certain that someone in his leadership team was leaking information to Sudarshan Lal, well before Chhaganlal communicated. Given the following options, how best should Chhaganlal Jha respond to this situation?

A) Chhaganlal should request Sudarshan to kindly wait for him to communicate as informal sources may lead to misinformation.

B) Chhaganlal should complain about this to Sudarshan and threaten to resign.

C) Chhaganlal should request his team to continue passing information, since it brings down the communication barrier.

D) Chhaganlal should understand that this is bound to happen and should not bother.

E) Chhaganlal should threaten his team that one of them will be fired by this weekend if this practice of passing information doesn't stop immediately.

Answer Key Actual Decision Making Questions 2018

| Q. | Key | Explanations |
|----|-----|---|
| 1. | E | <p>A) In the past 12 years, as the head of the branch, Satyender has exceeded targets every time.</p> <p>B) Palani has been a top performer in the organization; his performance has deteriorated only in the last three years</p> <p>C) The branch's performance has been good for the past 10 years; Sayed has joined the organization 3 years back.</p> <p>D) When Sayed joined as a fresher in this branch, others in the branch had feared that he might bring down the performance of the branch.</p> <p>E) While calculating the branch's performance, the branch head has the choice to exclude new joinee's performance.</p> |
| 2. | A | <p>Choice (A) is least likely to be misused, because the relaxation would be applicable to only new employees, which cannot be misused by old employees. More over a time period of three months or so can be set for one being considered as new, beyond which expenses beyond the expected level are not accepted.</p> |
| 3. | C | <p>(A), (B), (D) and (E) have given Satyender the specifics about the territories but in option (C) Satyender doesn't have any data regarding the territory. So, he may find it least useful</p> |

| | | |
|----|---|---|
| 4. | A | Sudarshan's concern is two of his three companies are incurring losses after he hired the officials. (A) is the best option which will reduce Sudhanshan's concern as a leading financial institution advised to buy shares, that means this company is going to make profits in the future. (B) cannot be the required option as we cannot say whether the companies were making profit or not. (C) This will not reduce his concerns, as it is not addressing the core issue. (D) This option is irrelevant. (E) This option cannot justify anything. |
| 5. | B | We have to find an option where we can say that the senior employees are misleading Sudarshan, which is best explained in option (B). The senior employees were given respected positions that means they were being valued which contradicts the senior person's claims. We can eliminate other options. |
| 6. | A | In option (A), Chhaganlal is addressing the issue with the right authority with right reason that the informal sources might misguide the CEO. The rest other options are negative so can be eliminated. |

Actual Decision Making Questions 2019

1. Empirical observation told us years ago that goats were slowly becoming the new dog, and according to a new study, they are truly qualified to be man's best friend. The Royal Society released heart-warming research showing that just like humans, goats have no desire to interact with people who come off as angry or upset, and that they're much more attracted to those with big smiles plastered across their faces. When 12 males and 8 females were released into a pen decorated with images of happy and angry humans, the scientists learned that goats can "distinguish between happy and angry images of the same person," and in general, they prefer their humans to be happy.

Which of the following statements is definitely true according to the passage?

- A) When they look at a straight-faced person, goats remain passive.
- B) When they look at a frowning person, the goats are sad.
- C) When they look at a smiling person, goats run towards him.

D) When they look at a frowning person, goats are afraid of him.

E) When they look at a smiling person, the goats are happy.

DIRECTIONS *for the question:* Solve the following question and mark the best possible option.

2. Which of the statements below is least fallacious?
- A) Cheating in examinations is wrong because God will punish you
- B) Mitigating risks often comes with costs
- C) Marlon Brando was such a great actor because everyone liked him
- D) Educated people do not oppose sale of hard drinks by governments. So drinking cannot be illegal.
- E) The snake in the temple likes milk because devotees offer it milk.

DIRECTIONS for the question: Solve the following question and mark the best possible option.

3. Which option does not reflect the relationship implicit in 'Emendation : Editor'?

A) Illumination : Usher B) Injunction : Judge

C) Discipline : Coach D) Renunciation : Saint

E) Examination : Doctor

4. An accurate measure of drug efficacy would require comparing the response of patients taking it with that of patients taking placebos; the drug effect could then be calculated by subtracting the placebo response from the overall response, much as a deli-counter worker subtracts the weight of the container to determine how much lobster salad you're getting. In the last half of the 1950s, this calculus gave rise to a new way to evaluate drugs: the double-blind, placebo-controlled clinical trial, in which neither patient nor clinician knew who was getting the active drug and who the placebo.

Which of the options is a wrong answer to this question: How does a double blind ensure a better trial of a new drug ?

- A) It increases the overall response to the drug.
- B) The clinician cannot pick and choose patients to whom placebos can be administered
- C) The patient does not know whether he/she is getting a placebo
- D) It gives rise to an unbiased testing of drugs
- E) It reflects the calculus exemplified by the deli-counter episode

5. Alligators are freshwater reptiles. However, people have come face to face with them in mud in a salt marsh in Georgia. Finding alligators in the salt marsh is not a mystery or a miracle. At least 23 species of predator have been spotted living in surprising habitats. Predators such as alligators, otters, mountain lions, wolves and raptors are thriving in places they shouldn't, revealing some serious misunderstandings about their behaviour and how to protect them. Scientific literature divulges that these creatures are actually returning to places they once occupied. It gives us astonishing insights into the lives of animals and helps conservationists improve the old stomping grounds of these creatures

Which of the following statements provides the most plausible explanation of the predators' behaviour?

A) Predators migrate to a habitat different from where they were born

B) Predators have a genetic memory of their traditional stomping grounds

C) Predators are fully aware of where they were born.

D) Predators have no awareness of where they were born.

E) Predators prefer to occupy different habitats, depending on the season and prevailing weather.

6. Dense, dirty air laced with grease best describes the atmosphere of most Lagos streets. Drive from one corner of this great west African city to another and in no time you will find surfaces lightly dusted, like a soft sprinkling of icing on cakes. Under the half-moons of fingernails, thick grime settles. It's a scene taken as typically African: polluted, bedraggled, unhealthy. This has only ever been made possible by the exploitation of Africa's people. This week five west African countries,

Nigeria included, announced plans to end the practice of European oil companies and traders exporting “African quality” diesel. “Dirty fuel” has earned the name because it is imported diesel with sulphur levels as high as 3,000 parts per million when the European maximum is 10ppm. To be clear, “African quality” fuel, is fuel not fit for European humans.

Which of the options is not necessarily the underlying assumption of the author in the paragraph above?

- A) Economic exploitation, until challenged runs smoothly.
- B) African nations had accepted ‘dirty fuel’ as the norm.
- C) European oil companies dump their fuel on African countries.
- D) Racism makes it easy for Europeans to justify the exploitation of inferior races.
- E) Typically, African cities today are not fit for human habitation.

Answer Key Actual Decision Making Questions 2019

| Q. | Key | Explanations |
|----|-----|---|
| 1. | E | Option A is incorrect as no mention of straight faced person is there in the given paragraph. Option B is incorrect as nothing is mentioned about goat's sadness Option C is incorrect because there is no mention about goats running towards a smiling person, such reaction is not mentioned. Option D is incorrect as the reaction of fear on the part of goats by looking at a frowning person is not mentioned. Option E is correct as by looking at the smiling face , goats become happy and according to the information given in paragraph, this option is definitely true. |
| 2. | B | We have to find the statement which is true and not false. Option A is wrong option because cheating is concerned with one's righteousness, sincerity or honesty; it is nowhere related to fear of God. Option C and E are wrong options because opposite is true in both of them. Option D is wrong because sanction by educated people cannot put a check on the unlawful consequences of drinking. Only option B is the right answer because mitigating the risks will happen at some cost (monetary and other expenditure) |
| 3. | A | Emendation is the process of making a revision or correction to a text. Editor is someone whose job |

is to edit books, documents or films The **relationship** that exists in the question pair is that of the **process** (emendation) and **the person** (editor) who executes it. We have to find the option which doesn't depict the same relationship. B. **Injunction** is a judicial order restraining a person from beginning or continuing an action threatening or invading the legal right of another, or compelling a person to carry out a certain act, e.g. to make restitution to an injured party and the judge undertakes this process. C. **Discipline** is the practice of training people to obey rules or a code of behaviour, using punishment to correct disobedience and the coach is the person who give (someone) professional advice on how to attain their goals. D. **Renunciation** is an act or instance of relinquishing, abandoning, repudiating, or sacrificing something, as a right, title, person, or ambition and saint is the person who practices it. E. **Examination** is a detailed investigation, the act of conducting the detailed investigation and it is the process which a doctor undertakes to treat his patients. All the above show the same relationship as depicted in the question pair. **The only option not depicting it is Option A** Usher is a person who shows people to their seats, especially in a cinema or theatre or at a wedding. But he is nowhere related to the word illumination (the lighting that a

| | | |
|----|---|--|
| | | place has). |
| 4. | A | To test the effectiveness of the drug in the double-blind, placebo-controlled clinical trial, where neither patient nor clinician knew who was getting the active drug and who the placebo, the patient by himself and supported or encouraged by the clinician attaches his hope with the active drug thereby increasing the overall response to the drug. Hence the option giving the idea that it increases the overall response to the drug does not answer the question "How does a double blind ensure a better trial of a new drug". |
| 5. | B | As per the information given in the paragraph, "many species of predator have been spotted living in surprising habitats and scientific literature divulges that these creatures are actually returning to places they once occupied and such insight helps conservationists improve the old stomping grounds of these creatures" So we can understand that the most plausible explanation of the predators' behaviour is they have a genetic memory of their traditional stomping ground |
| 6. | D | The given passage explains the practice of European oil companies and traders exporting diesel with high content of sulphur to the African countries and the underlying assumption for this practice to be racism seems unreasonable. Each |

| | | |
|--|--|---|
| | | one of the given options could be an assumption to the practice undertaken by European oil companies except racism makes it easy for Europeans to justify the exploitation of inferior races. |
|--|--|---|

Practice Exercise - 01

1. Hitesh was an operations manager in a social development organization and observed deep-set caste discrimination all around him. Observing that caste based discrimination was endemic in his organization, he decided to quit and start his own NGO. In his organization, he employed people from all castes and tried to eliminate caste-bias. Over the years, his NGO expanded and started working with various sections of society and started supplying material to organizations dominated by those of supposedly higher castes. As part of his team, he built a squad of sales representatives consisting of people from diverse backgrounds and all castes. As his representatives were from diverse backgrounds, including the lower castes, he soon started experiencing resistance from his clients as they objected to the presence of representatives from the lower castes.

Hitesh is stuck in an ethical dilemma now. With more than half his employees from the lower castes, he can no longer send them to his clients. He is under pressure to change the demography of his organization. On the other hand, if he does so,

he defeats the very purpose of building his organization in the first place.

What should he do as a socially aware entrepreneur who knows of his social responsibilities?

1. Shift to businesses and areas of work which face no such stigma.
 2. Reduce the number of lower-caste employees.
 3. Let the current situation continue and hope for the social climate to improve.
 4. In future, hire only people from castes that pose no such problems.
 5. Try to juggle his assignments in such a manner that he does not send people from the lower castes to those clients who object.
2. You are the HR manager of a newly established-BPO and are on the lookout for talented and hard-working people who can serve on the team. One of the applicants is Udit, an engineering graduate from a mid-level institute but comes from an impoverished background. Because of this, his communication skills are not quite up to the mark

and you are in two minds whether to hire him or not. As far as his school records are concerned, they are up to the mark in all subjects, barring one, that is English. Because of the above, you are uncertain about hiring Udit and are not sure whether he would fit in the young crowd at your BPO.

If you are the HR manager in concern, what would you do in the given situation?

1. Explain the situation to Udit, and help him understand why you could not hire him.
2. I would hire him without even it giving it a second thought case and the job itself would help him learn the art of effective communication.
3. I would identify the specific role that is suitable for his skill-set and make sure his shortcomings are overcome with the right assistance and training.
4. Provide him with resources that can help him improve his communication so that he can apply for other jobs at a suitable time.

5. I would help him find a job in another industry that does not require any communication skill at all.

3. The premium fountain pen and diary combo industry in India generally sells around 1 million fountain pens and diary combos every year. This industry generally caters to the richest sections of society, and the price range for these combos starts from at least Rs. 6000 for a single set. In the last 10 years, the world has seen a massive change in terms of technology and we are increasingly seeing that digital products are replacing traditional items. With the coming of smart-phones, tablets and devices such as Kindle, high-end consumers have started using these devices for organizational tasks, and this has meant that the market for the premium pen and diary combos has gone not grown in the last 10 years, and in fact, is beginning to see its first signs of recession.

What should be strategy adopted by the premium fountain pen and diary combo industry in order to be profitable in the long term?

1. Merge with other companies in the sector and try to reduce the competition, thus reducing the price wars.
 2. Try to get back their lost clientele with the help of new designer pen and diary combos.
 3. Increase the appeal of their products by introducing a new line of cost-effective combos for middle and lower classes of society.
 4. Use technology-enhancement features in their products and convert them into digital diaries and pens.
 5. Reduce the prices of their combos to attract some the lost clientele.
4. Being in the middle of a recession has meant that a number of areas of the economy have suffered. One area to be particularly hit is the car industry and the industry leader, SarutiMuzuki has seen a drop of 15% in its sales. In order to cope up with the situation, SurutiMuzuki has to come up with a plan to beat this downswing in the whole sector itself. SurutiMuzuki has been traditionally a brand that has catered to the middle segment of the market by providing cars with great fuel efficiency

and ones that generally low on frills. Being a part of the company board, which out of the following would you recommend as a course of action to recover some of the lost revenue of the company in the current fiscal year?

1. Reduce the operating costs of the company by reducing the staff.
 2. Increasing the advertising expenditure of the company so as to increase brand awareness.
 3. Using an enhanced loyalty and exchange bonus schemes that help drive up the sales.
 4. Downgrading the current variants so that their price reduces.
 5. Innovate and create a new car that becomes the cheapest car available in the market.
5. You are part of the government infrastructure committee that came up with a plan to remove slums from the heart of the city and provide with slum-dwellers with low-cost housing in peripheral areas of the town. The scheme received due approval from the slum-dwellers at the time and was welcomed as it provided them with a better homes than their existing accommodations. The

initial draft of the scheme as floated in the year 2005, and on the basis of the census of the slums in the year 2009, the construction of the low-cost housing began in the year 2010 and was completed in 2013. Now the stage has arrived where people need to be removed from the slums and re-located to the new areas. Because the scheme, from the time of the census to that of occupation of the houses, took 5 years, there has been an influx of new individuals in these slum areas and they are not willing to vacate these areas. Which, out of the following, is a solution that you should put up in front of the committee?

1. The slums need to be vacated at all costs and the individuals not co-operating should be forcibly removed.
2. New houses need to be created for the new migrants and they should be allowed to stay in the slum areas till the time the new houses come-up.
3. Since the scheme had a cut-off date, individuals who occupied the slums after the given date should be given provisional shelter so that they can find alternates for survival.

4. The slums should not be emptied and can act as future source of accommodation for all those arrive in the society.
5. The slums itself should be converted into low-cost housing, thus providing the city with enhanced facilities to house all those who arrive in the city.

DIRECTIONS for questions: Read the following and answer the questions that follow:

Mr. Thakural runs Power-dose pharmaceuticals, and is in the business of bulk manufacturing medicines for established brands. Mr. Thakural established the business 10 years ago, and ever since, has been running it on his own. During this period of time, he has always had a very hands-on approach to solving all matters, and has made sure that his company remains union free. In order to do this, he has made sure that he handles his personal operations staff on his own, and he has kept all the important decisions with respect to a person's salary, current job profile and designation with his own self. This is despite the fact that the company has a complete HR department. The role of the HR department has essentially been reduced to handling the day to day attendance of employees and managing all minor tasks

related to the reporting of employees. The management style of Mr. Thakural has ensures that the HR division of his company has never fostered, and he continues to wield control when it comes to managing the affairs of every employee in his company.

Recently, the plant manager of Power-dose, Mr. Ganeshan wanted to meet Mr. Thakural as he was not happy with the remuneration he was receiving. Mr. Thakural had already decided upon the appraisals of most other managers, and was done with his individual rounds of meetings with the other managers. Mr. Thakural, for some reason, did not meet Mr. Ganeshan, and this gave the impression he was avoiding him. Mr. Ganeshan tried to fix multiple appointments with him but could not do so, and ultimately tried to meet Mr. Thakural without an appointment. Mr. Thakural flatly refused to meet him and also offered no communication on the desired appraisal for Mr. Ganeshan. In a fit of rage, Mr. Ganeshan offered his resignation and Mr. Thakural accepted it. In the light of these events, the employees of the division that Mr. Ganeshan used to handle decided to go a strike, a first of its kind at Power-dose, and decided to form a union for the representation of workers. They forwarded their proposal to both the HR department and Mr. Thakural, and wanted the immediate re-instatement

of Mr. Ganeshan, accompanied with his necessary appraisal.

6. The factor that has lead to the development of the current situation is:
 1. Mr. Thakural's ego-centric way of managing his company.
 2. The lack of understanding on behalf of the employees with regards to the management practices of the company.
 3. A lack of analysis and forethought on behalf of Mr. Thakural in handling the situation.
 4. A lack of sensitivity towards employees and discrepancy in management policies followed by Mr. Thakural.
 5. A lack of business awareness exhibited by Mr. Thakural.
7. The present situation could have been averted if:
 - I. Mr. Thakural had given Mr. Ganeshan the raise he was asking for.
 - II. Mr. Thakural had heard the contentions of Mr. Ganeshan.

III. Mr. Thakural had given more authority to his HR department.

IV. Mr. Thakural had a crises manager.

V. Mr. Thakural had created a process wherein employees knew when they could meet him.

1. I and II

2. II and V

3. III and V

4. III and IV

5. III and V

8. Which, out of the following, is the best recourse available to Mr. Thakural in the given case?

1. Identify the employees leading the strike and make a deal with them to end the strike.

2. Identify the trouble makers, and try to separate them from the rest.

3. Open a direct round of negotiations with Mr. Ganeshan and the employees on strike.

4. Ask the HR department to resolve the issue.

5. Ask the employees what kind of changes they want his way of functioning.

9. Any person in the current HR set-up at Power-dose is bound to feel frustrated. Assuming you are one such person who has been in the current set-up for

a long time, and is responsible for employee welfare, what should be your approach in the given case?

- I. pro-active towards finding a possible resolution for the issue.
- II. understanding the viewpoints of those on strike.
- III. inclined towards getting in the good books of Mr. Thakural.
- IV. staying out of the way and doing only the works you are assigned.
- V. creating and using a crises-management module for policy implementation at times of crises.

1. I and V

2. I and II

3. II, III and IV

4. I, II and V

5. II, III and V

- 10.** Since Power-dose was behind delivery schedules, and was about to lose its major client, Mr. Thakural had to do something to ensure that the strike was over. As part of the settlement process, Mr. Thakural decided to offer an unconditional apology to Mr. Ganeshan, and decides to employ him, on his terms, again in the company. In order to avoid

such an embarrassing situation again in the future, he should adopt how many out of the following:

- I. A policy framework for dispute resolutions that ensures discussions remain open at all times.
 - II. A crises management policy, ensuring that orders continue to be processed even in extreme situations.
 - III. A set system of appraisals guaranteeing growth for given duration of work.
 - IV. A re-structuring in HR responsibilities, with greater delegation of work to ensure greater transparency in the system.
 - V. A better set of performance analysis tools.
 - VI. A policy forbidding the formation of unions.
1. one 2. two 3. three 4. four 5. All

Answer Key & Explanation

| Q. | Key | Explanation |
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| 1. | E | In the given case, the correct answer is option E. Hitesh is stuck in a catch-22 situation and needs to balance his business requirements and his objectives. A solution in the short term is managing his work in such a manner that the damage is minimum and his work does not suffer. Option E is one such solution where he can continue to run his business and also keep his workforce profile the same. Though not ideal, Option E is the only viable solution. The other options do not provide a solution to the problem and are in some way or the other, escape routes. |
| 2. | C | In the given case, you need to understand the role of an HR manager. The job of an HR manager is to identify the right set of people for the right job and the person should be able to do the job he is hired for. Since a team is being built for a new organization, the number of opportunities would be immense and various kinds of people would be required to fill in different roles. A role can be found for Udit and his shortcomings can be overcome with the right amount of training. This is what the role of training is in this case and this is what is expected of the manager as well. Keeping this in mind, the right thing to do for the HR manager is to |

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| | | identify the right role for Udit and make sure he does his job right and his shortcomings can be overcome with the right training over a period of time. |
| 3. | C | In the given case, since the market dynamics have changed and the richer classes have shifted to using technology enabled products, it makes sense that the industry evolves and introduces products for all the classes. A new line of cheaper products would mean that the customer base expands and it helps the industry grow by making sure that people from a certain segment have access to products they were previously missing out on. Option A does not help increase sales as the traditional market has already stagnated. Option B, D and E again commit the same mistake of targeting a segment that has lost interest. Thus, the best choice is option C. |
| 4. | C | The important consideration that you need to keep in mind is that the question asks you to identify an option that would enhance revenue in the current financial year, that is come up with a scheme that has an immediate impact on the revenue of the company. Out of all the options, two options that have a direct impact on revenue increase are options B and C. kindly keep in mind that option A is about reducing costs and does not necessarily imply an increase in revenue. Option D entails the |

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| | | <p>risk of creating a product that might not appeal to consumers, as the cars are already low on frills. Option E is not viable in the current short-term. Thus, we are left with two options: B and C. out of the two, the option that has a greater chance of impact on sales is option C. Option B only talks of creating awareness, whereas option C creates a program that helps increase sales. Hence, option C is the better option in this case.</p> |
| 5. | C | <p>In the given case, we need to select a solution that is both practical as well as takes care of the welfare of the slum-residents. Since the scheme was meant to cater to those who occupied the slums in the year 2009, the committee has the right to ensure the slums are cleared as new houses are ready. But keeping the human angle in mind, the best that can be done is to provide the new dwellers in the slums with provisional shelters that provide them time to find suitable alternates. This way, the slums are cleared, the new houses are occupied by the ones they are meant for and the ones without a shelter have a chance to ensure that their existence is not threatened.</p> |
| 6. | D | <p>In the given case, Mr. Thakural has completely mishandled the situation, and the reason for this is his approach. He has adopted an approach that lack necessary sensitivity towards employees, and disregard for the problems of a particular employee</p> |

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| | | is an example of the same. Also, the policy of appraisal followed by him is an inconsistent one, and this has fostered further ill-will in the given case. He needs to have adopted a more pragmatic approach in dealing with situation rather than maintaining such a top heavy approach. This sentiment is best expressed by option D. |
| 7. | B | In the given case, we need to identify the solution that would have solved the current crises. The important consideration for this question is that you need to identify the solution for the current crises, and not implement solutions that might have implications in the future. The solution being probed here only has the current scenario of employee mishandling under consideration. How could the current disaster have been handled better? Well, Mr. Thakural could have heard to Mr. Ganeshan's viewpoint for one. And this could have been easily managed if there was an easy access system for him. This makes option B the correct answer. |
| 8. | C | The best way of resolving the current stand-off is by talking directly with the people involved in the dispute. A confrontational approach will not work in the given case, and this rules out option B. Option E is like opening a Pandora's box, and only more bad can come out of it. Option D is ruled out here as the HR department is an ineffectual one. Option A is a |

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| | | cunning trick rather than an ethical solution for the problem. This only leaves option C as the desired course of action here. |
| 9. | D | In the given case, you need to identify the statements that offer logical solutions for the problem. In this case, statements I and II are definite action points that can help resolve the issue. On the other hand, options III and IV simply talk of avoiding the problem in a way. Since you are responsible for employee welfare, the current situation does fall under your ambit and you are supposed to make sure that you do your best to resolve the crises. Whether your solution is implemented or not is something that is not in your hands but the effort part sure is. The contentious one is statement V. Should it included or not? Since the question is asking for your approach to help resolve the given case, the one question you need to ask yourself is whether statement V helps in that regards? The answer to that question is a yes, and hence it should be included in the correct choice. |
| 10. | C | In the given case, the first thing that needs to done is to identify which out of the five statements are genuine solutions to the problem: I. Statement I would definitely help in resolving such cases. II. Statement 2 would ensure that Mr. Thakural is not hamstrung and the company continues to |

operate smoothly

III. Guaranteeing appraisals for a given duration is not the right way to go about things. Appraisals should be linked to performance rather than duration.

IV. A better HR department can ensure that such problems do not arise in the future.

V. Performance analysis tools are not required in this case, as those are for monitoring appraisals and not for handling extreme situations like the ones given here.

VI. This again would only lead to greater dissent and foster feelings of ill-will. The atmosphere should be such that strikes and unions do not come into the picture; banning them won't solve the purpose.