

## Must do XAT Decision Making Questions 2008 to 2018

**Questions 1 to 4: Read the following situations and choose the best possible alternative.**

1. Seema was a finance manager in an MNC and felt that gender discrimination at the workplace hampered her career growth. Frustrated, she quit the job and started a company. While starting her company, Seema decided that she would have equal proportion of males and females. Over the next six years, Seema emerged as a very successful entrepreneur and expanded her business to eight locations in the country. However, Seema recently started facing an ethical dilemma because she realized that female employees were not willing to travel across cities and work late hours, as the work required them to do. Male employees did not hesitate undertaking such work. Seema started to feel the pressure of reducing the proportion of female employees. On the other hand, she is aware that equal representation was one of the strongest reasons for her to have founded the company. What should she do as a conscientious female entrepreneur?

- A. See if unwilling female employees could be given assignments which do not require travel and involve less overtime.
- B. Reduce the number of female employees, as it is a business requirement. She should not let anything affect her business.
- C. Let the status quo continue.
- D. Henceforth hire only male employees.
- E. She should close the business. (2008)

2. You, a recruitment manager, are interviewing Mayank, a hard-working young man, who has problems in speaking fluent English. He has studied in vernacular medium schools and colleges. Amongst the following options, what would you choose to do, if your company has vacancies?

- A. I would hire him at all costs.
- B. I would hire him for the job he is good at, and provide training in other areas.
- C. I would hire him for production or finance job but not for marketing job, which requires good communication skills.
- D. I would ask him to improve his communication skills and come back again.
- E. I would not hire him as he might be a burden on organisation because of his poor communication skills. (2008)

3. The city of Nagar has a population of 10 million, 2 millions amongst whom are rich, 3 million poor and 5 million belong to the middle class. Saundarya Cosmetics manufactured and sold beauty product to the rich class at a premium price. Its products were very popular with customers. Many people from the middle and poor segments of the population aspired to buy these products but could not afford because of the high prices. Of late, sales growth has

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been stagnating in the rich segment. Which of the following is the best option for Saundarya Cosmetics to maximize long-term profits?

- A. Sell the same products at lower prices to middle and poor classes.
- B. Sell similar products, of different quality standards with different brand names, to middle classes and poor classes.
- C. Sell its products under different brand names to middle and poor classes.
- D. Continue to target rich only and hope that today's middle class would be tomorrow's rich class.
- E. Target middle class as it is the largest segment and forget about the rich.

4. A database software manufacturing company found out that a product it has launched recently had a few bugs. The product has already been bought by more than a million customers. The company realized that bugs could cost its customers significantly. However, if it informs the customers about the bug, it feared losing credibility. What would be the most ethical option for the company?

- A. Apologize and fix up the bug for all customers even if it has to incur losses.
- B. Do not tell customers about bugs and remove only when customers face problems, even if it means losses for the customers.
- C. Keep silent and do nothing.
- D. Keep silent but introduce and improved product that is bug-free at the earliest.
- E. Take the product off the mark and apologize to customers. (2008)

### Read the following caselet and choose the best alternative (Question 5 to 10):

Mr. Rajiv Singhal, Chairman of the Board of Directors of Loha India Ltd., (a steel manufacturing company) had just been visited by several other directors of the company. The directors were upset with recent actions of the company president, Mr. Ganesh Thakur. They demanded that the board consider firing the president.

Mr. Thakur, recently appointed as president, had undertaken to solve some of the management-employees problems by dealing directly with the individuals, as often as possible. The company did not have a history of strikes or any other form of collective action and was considered to have good work culture. However, Mr. Thakur felt that by dealing directly with individuals, he could portray the management's concern for the employees. An important initiative of Mr. Thakur was to negotiate wages of the supervisors with each supervisor. In these negotiation meetings, he would not involve anyone else, including the Personnel Department which reported to him, so as to take an unbiased decision. After negotiation, a wage contract would be drawn up for each supervisor. This, he felt, would

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recognize and reward the better performers. Mr. Thakur successfully implemented the process for most of the supervisors, except those working in night shift with that of supervisors of the day shift.

For several days Ram Lal, a night shift supervisor, had been trying to seek and appointment with Mr. Thakur about his wages. He was disgruntled, not only over his failure to see the president, but also over the lack of discussions about his wage contract prior to its being effected. As a family man with six dependents, he felt his weekly wage should be higher than that granted to him.

Last Thursday afternoon Ram Lal stopped by the president's office and tried to see him. Mr. Thakur's secretary refused his request on the grounds that Mr. Thakur was busy. Infuriated, Ram Lal stormed into the president's office and confronted the startled Mr. Thakur, who stood up and told Ram Lal to get out of his office and express his grievance through official channel. Ram Lal took a swing at the president, who in turn punched Ram Lal on the jaw and knocked him unconscious.

5. The most important causal factor for this entire episode could be:

A. Trying to follow a divide-and-rule policy in his dealings with the supervisors.

B. Inconsistent dealings of Mr. Thakur with supervisors.

C. Paternalistic approach towards mature individuals in the organisation.

D. Legalistic approach to employee problems.

E. Inadequate standards for measurement of supervisors' on-job performance. (2008)

6. The situation with Mr. Lal could have been avoided if Mr. Thakur had

1. Delegated the task of negotiation of wage contracts for night shift employees to Personnel department.

2. Created a process for supervisors working the night shift so that they could have and opportunity to interact with him.

3. Created an open door policy that would have allowed employees to see him without any appointment.

4. Postponed the decision of wage revision for supervisors in the night shift for two months, since supervisors were rotated on different shifts after every two months. The option that best arranges the above managerial interventions in decreasing order of organisational impact is:

A. 4, 2, 3, 1

B. 4, 3, 2, 1

C. 4, 3, 1, 2

D. 4, 1, 2, 3

E. 2, 3, 1, 4

(2008)

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7. The most likely premise behind Mr. Thakur's initiative regarding individualised meetings with the supervisors seems to be

- A. Employee related policies should allow scope for bargaining by employees.
- B. Involvement of company's president in wage problems of employees will lead to a better goodwill towards the management among the workers.
- C. Individual agreements with supervisors would allow the management to prevent any possible collective action by the supervisors.
- D. Management will be able to force supervisors to accept lesser wages individually in this way.
- E. He would be able to know who the trouble makers in the plant are by interacting with the supervisors. (2008)

8. Out of the following, which one seems to be the most likely cause of Ram Lal's grievance?

- A. His disappointment with the management's philosophy of having one to one interaction as the supervisors were in a way being forced to accept the wage contracts.
- B. His being in the night shift had worked to his disadvantage as he could not interact with the management regarding his problem.
- C. He was not allowed to meet chairman of the board of directors of the company.
- D. Employment in the night shift forced him to stay away from his family during the day time and therefore he could not interact with his family members much.
- E. All of these. (2008)

9. Apart from the supervisors working the night shift, executives of which department will have most justified reasons to be disgruntled with Mr. Thakur's initiative?

- 1. Production department - for not being consulted regarding the behaviour of the supervisors on the shop floor.
- 2. Finance department - for not taken into confidence regarding the financial consequences of the wage contracts.
- 3. Marketing department - for not being consulted on the likely impact of the wage contracts on the image of the company.
- 4. Quality control - for not being able to give inputs to Mr. Thakur on how to improve quality of steel making process.
- 5. Personnel department - for it was their work to oversee wage policies for employees and they had been ignored by Mr. Thakur.

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A. 1 + 2 + 3

B. 1 + 4 + 5

C. 1 + 2 + 5

D. 1 + 3 + 4

E. 3 + 4 + 5

(2008)

10. Which of the following managerial attributes does Mr. Thakur seem to lack the most?

A. Emotional instability under pressure.

B. Proactive problem solving.

C. Ethical behaviour.

D. Emotional stability under pressure.

E. Independent decision making.

(2008)

**Read the following caselet and choose the best alternative (Questions 11 to 14):**

Shekhar, an MBA from Singapore returned to his hometown-Jamshedpur. Jamshedpur had a population of 10 lacs with one of the highest per capita income among Indian cities. Shekhar loved music. While listening to his favourite song on “satellite radio”, he wondered if he could mix his passion with business. Incidentally, a few weeks later, while browsing the Internet, he came across an advertisement from Music World, which called for expression of interest from potential franchisees. Jamshedpur did not have a single good music outlet, where its residents could buy quality, variety and the latest from the world of music.

Music World wanted the potential franchisees to own minimum 1200 square feet space and invest Rs. 30 lacs. Profits were to be shared in the ratio of 3:7 between Music World and the franchisee. While Shekhar was excited about working with a renowned brand, he was worried if Rs. 30 lacs was too high an amount to shell out. He did not have the entire amount with him and was thinking of borrowing from the bank. He made enquiries with other Music World franchisees located in towns like Patna and Ranchi, as he expected similar football in Jamshedpur. A franchisee in Patna had sales revenue varying from 1-2 lacs rupees per month with profit margin in the range of 25-30%. Satisfied, Shekhar decided to proceed.

Soon, he was on a look out for the space. Jamshedpur had three main areas – Bistupur, Sakchi and Sonari. All areas were inter-connected by good roads. Bistupur was a business area where most of the high-end retail formats were located. Most upper middle class and higher-class customers shopped there. It was also the education hub of the city. On the other hand, Sakchi was a growing lower middle class business area and Sonari had mostly residential population.

Shekhar was in favour of choosing Bistupur as it was the place where he shopped. However, he soon stumbled across problems. Not only it was difficult to obtain space in Bistupur but property rentals touch 30-40 rupees per square feet per month. Rentals at Sakchi and Sonari were in the range of 15-20 rupees per square feet per month. Also, Shekhar’s friend, who stayed in Sakchi, told him that a few branded outlets were opening in Sakchi and it seemed to be the fastest growing market in Jamshedpur, with highest ratio of teenagers. But, Shekhar was not in favour of Sakchi due to its low image. He expected to target the growing crowd in Bistupur.

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High real estate prices in Bistupur and his low assessment of the Sakchi market created confusion in Shekhar's mind. To give the decision some serious and fresh thought, he decided to hit the Jamshedpur-Ranchi highway in his newly acquired car.

11. Suppose sales in Patna and Bistupur are likely to be same, how many years would it take for Shekhar to recoup the investment (consider Zero inflation)?

- A. Less than five years.
- B. Less than Seven years.
- C. Less than eight years.
- D. Less than nine years.
- E. Maybe never. (2009)

12. What could be the most likely reason for Shekhar's bias in favour of Bistupur?

- A. Presence of a college going crowd, as he felt they were the customers for the latest music.
- B. Crowded (hoi polloi) image of Sakchi.
- C. It was difficult for Shekhar to associate nonBistupur areas with good quality products.
- D. Higher rentals in Bistupur.
- E. Patronage of Bistupur shops by executives and their families. (2009)

13. How best should Shekhar resolve his confusion?

- A. By investing in the franchise.
- B. Do not invest in the franchise and look for different brand name(s).
- C. Go back to Singapore and start looking for a job.
- D. Do a further in-depth study to find the drivers and potential of the business.
- E. Approach another music company for setting up a franchise. (2009)

14. Which one of the following is the most important decision criterion in such a business situation?

- A. Financial capability of entrepreneur.
- B. Changes in music industry.
- C. Future market growth.
- D. Profitability of business in first couple of years.
- E. Real Estate prices. (2009)

**Read following caselet and choose the best alternative (Question 15 to 18)**

Om Chowdhury was one of the supervisors in the Fire and Safety (F&S) department of Maqsood Textile Mills. He was a distant cousin to Mr. Bhiwani, General Manager (Personnel

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& Administration). Personnel & Administration department was given the responsibility of all personnel related decisions. It was often rumoured that Om had obtained the job due to his cousin's influence. However, Om was meticulous in the performance of his duties and didn't give anyone a reason for complaint. It was known that Om was not much given to talking and kept to himself and to his duties.

All F&S supervisors reported to Mr. Rabindra, the shopfloor manager. The mill operated on a three-shift basis and Rabindra allocated the supervisors to different shifts. They were required to be present at all times during the shift operation and carry out scheduled checks of machinery and fire fighting equipments. For some reasons, Om was allotted the night shift more often than other supervisors. Om accepted these allocations without any objection, while it was known that other supervisors would often plead and bargain with Rabindra to be allocated the day shifts. During the night shift keeping awake and remaining mentally alert were some of the major challenges faced by the supervisors.

Of late, Rabindra observed signs of indifference from Om. On two occasions he found Om absent from his cabin. Rabindra heard from others that Om was often found in different parts of the shop floor talking to employees. Rabindra called him to his office and reminded Om of his responsibilities. Om did not counter Rabindra. He promised that he would not be lax in his duties again. Rabindra also broached the subject with Mr. Bhiwani. Mr. Bhiwani called Om to his office and talked on a very personal basis. He reminded Om that their family relations made it uncomfortable to all concerned. Om nodded and agreed to do better. Soon his performance became that of a model supervisor. It was often found he went beyond his official duties to sort out the problems of employees.

About three months later, Rabindra happened to visit the plant during the night. As he looked into F&S office, he found Om playing solitaire on the office computer. Mr. Rabindra immediately fired Om.

The next morning Mr. Bhiwani called Mr. Rabindra and asked how he can fire an employee. He suggested that Mr. Rabindra reconsider Om's dismissal. "This decision has already been made. There will be no turning back" replied Rabindra.

**15.** Out of the options below, which one best summarizes the learning from solitaire incident?

- A. Managers often do not take any responsibility towards training juniors.
- B. People tend to become relaxed during night shift and require surprise checks to keep them on their toes.
- C. Certain roles would have different ways of carrying out their duties.
- D. Having relatives in the same organisation can be a source of potential problems.
- E. Managers tend to allocated silent people to difficult positions. (2009)

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**16.** The options below give combinations of possible root causes of the problem and the justifications thereof. Given the details in the case, which one can be inferred to be the best option?

- A.** Hiring of Om. Reason: That ensured Om was perpetually casual towards his duties.
- B.** Om favouring to work during the night shift. Reason: Absence of Rabindra ensured that Om could relax.
- C.** Rabindra bias against Om. Reason: Rabindra had been assigning too many night shifts to Om while for other supervisors he was lenient.
- D.** Rabindra jumping to conclusions. Reason: He should have investigated whether Om had carried out his duties.
- E.** Rabindra's firing of Om. Reason: It led to clash between Rabindra and Mr. Bhiwani.

(2009)

**17.** The details of the entire episode have become common knowledge among all the employees of the company. Out of the options below, which one presents the best way for the top management to resolve the issue so as to benefit the organization as a whole?

- A.** Revoke Rabindra's order. It can be communicated to others that firing was too severe a punishment for such a small incident of indiscipline.
- B.** Ask Om for clarification. It can be communicated that since Om had clarified regarding his duties, the order has been taken back.
- C.** Declare Rabindra's order as void. Reiterate officially the disciplinary processes that need to be followed by managers along with their scope of authority.
- D.** Ask feedback from other employees on the shop-floor regarding Om's performance. This can be used to revoke Rabindra's order.
- E.** Take the feedback of other F&S supervisors as to the work involved during night shift. This would better explain Om's behaviour.

(2009)

**18.** Of the options below, which could have been a better response from Mr. Rabindra when he saw Om playing?

- A.** He should have clarified about his authority to fire employees.
- B.** He should have informed Mr. Bhiwani about the incident and asked him to take necessary action.
- C.** He should have asked the employees of the shift regarding Om's performance of his duties.



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D. He should have checked if Om had done his duties or not.

E. He should have checked the production levels in the shift to see if it was as required.

(2009)

**Read the following case and choose the best alternative (Question No. 19 to 22):**

Guruji's guidance Bhola, an avid nature lover, wanted to be an entrepreneur. He dreamt of establishing a chain of huts in Chatpur region to cater to tourists, who came attracted by the beauty and splendour of the Himalayas.

However, he was appalled by current degradation of the Himalayan environment. He remembered the early times when everything was so green, clean and peaceful. Now, greenery was replaced by buildings. Peace was shattered by honking of vehicles and flocking of tourists, and cleanliness was replaced by heaps of plastics.

Bhola had a strong sense of right and wrong. On speaking to few locals about the issue, he realized that the locals were aware of these issues. However, they pointed out the benefits of development: Pucca houses for locals, higher disposable income and with that, ability to send their children to better schools and colleges, better road connectivity, and access to latest technology in agriculture. Most locals wanted the development to continue.

Saddened by the lack of support from the locals, Bhola took up the issue with the government. He met the chief minister of the state to find out if government could regulate the developmental activities to prevent environmental degradation. However, the chief minister told Bhola that such an action would slow down the economic progress. That also meant loss of substantial tax revenues for the government.

Bhola needed to resolve the dilemma. Bhola always wanted to be an entrepreneur, who could contribute to the society and earn money as well. However, his business would also be responsible for destroying the environment. If he did not set up his business, he would not be able to earn money and contribute to the society.

After mulling over the issues, he went to his mentor "Guruji". Guruji realized that it was really a difficult puzzle: if one saves the environment, there seems to be no development and if the people and the government sought development, the environment and hence future of this planet and human beings was at stake. After careful thought, he felt that dilemma could be resolved. He fixed up a meeting with Bhola to answer Bhola's queries.

**19. Should Bhola still think of doing business?**

A. Yes, where there is a will, there is a way.

B. No, saving the Earth for our children is more important than earning money.

C. Yes, Bhola should do business while ensuring no environmental damage is done.

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**D.** Yes, but only if the government puts strict environmental regulations in place.

**E.** Bhola should stop thinking about such a dilemma. (2010)

**20.** Bhola wanted to advise the government about the new tourism policy. Bhola had developed a few alternatives as given below. Choose the best alternative.

**A.** Stop environmental degradation by stopping the developmental activities.

**B.** Forget about the environment; think about the people as they are the vote banks for politicians to come back to power.

**C.** Suggest that the government should try to promote eco-tourism, which would be controlled and regulated by the government, as the government could think about welfare of majority of stakeholders.

**D.** Suggest that the government should promote eco-tourism with public-private partnership with the involvement of NGOs, So that there are checks and balances for inefficiencies and promotion for synergetic efforts between the government and private entrepreneurs.

**E.** Involvement of impartial entities like NGOS who would provide a fair assessment of the policies. (2010)

**21.** Bhola wished he was heading the government. He had listed down five concrete measures he would take if he were to head the government. Choose the best alternative.

**A.** Charge environmental cess from all businesses operating out of Himalayas.

**B.** Charge cess from anyone who pollutes the environment, it be citizens or industries and reward those who have contributed to afforestation the most.

**C.** All profit making organizations have to take responsibility of afforestation proportionate to their profitability.

**D.** Think about maximizing the revenues and forget about the environment.

**E.** Institute a Green Valley Reward, which would be given to businesses highly active in afforestation efforts. (2010)

**22.** Visualising he was heading the state government, Bhola thought of a likely problematic situation. Five years have passed. In these five years, Bhola has initiated a lot of pro-environment steps, including making people aware of the fact that it was this pristine environment which brought in tourists in the first place. Now he faced state elections. The opposition accused him of stopping development and causing unemployment under the guise of environment protection. If Bhola were to consider this accusation as a short-term battle, which option would Guruji suggest to Bhola to score a quick win?

**A.** Accuse the opposition of having vested interests as the opposition leaders were denied licences for opening new hotels.

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- B.** Point out the improvement in environment since the implementation of pro-environment policies.
- C.** Compare the unemployment levels since the implementation of the pro-environment policies and if they are less, accuse the opposition of making baseless charges.
- D.** Point out that this government had initiated a regular cleaning-up drive and the opposition did not consider the data regarding the people who were employed in that drive.
- E.** Call the charges as baseless accusations being used to malign the good work he had done.

(2010)

### Solutions:

- 1. A** Since Seema is a conscientious female entrepreneur, she should realize that one of the basic premises behind her forming her company was to provide equal opportunity to female employees. Hence she cannot step back from that aim. At the same time she has to run her business profitably. Hence she should look at placing female employees in jobs where they can perform productively without the company's interests being compromised. For jobs requiring overtime and travel she could then look at perhaps hiring more male employees.
- 2. B** As a recruitment manager one should focus Mayank's strengths and not necessarily his weaknesses. If Mayank has strengths in an area where there is a vacancy then he should be hired for that position. His lack of communication skills is a drawback which can be rectified through proper training on the job so long as it is not directly affecting his productivity too much. Hence the recruitment manager should give more priority to his qualities and not be governed by his drawbacks which may not be strictly relevant for the position he can join in.
- 3. B** Since Saundarya Cosmetics has to maximize long-term profits, it has to look at moving beyond the 'rich' segment it has serviced so long. It has to look at catering to the middle class and poor segments which aspire to its products. Also sales in the rich segment are stagnating. Therefore the company should target products of different quality (and hence by implication price) to these other segments. Option (A) is ruled out because by selling-high quality products at low prices the company will lose money in the long run. (C) also implies selling the same products previously targeted at the rich (under different brand names) to the poor and middle classes. This would also potentially lead to losses through higher cost of productions and the need to maintain lower prices. Continuing to target only the rich would not maximize long-term profits as sales in this segment is clearly stagnating. Targeting only the middleclass would also be putting all eggs in one basket and hence not desirable. Thus option (B) is the correct answer as the company would be customizing is offering for targeting the different segments.
- 4. A** The company has sold its software to more than a million of customers. The bug poses a significant threat to these customers. Hence if the problem is left unattended the company will face even greater loss of credibility and bad word-of-mouth if it keeps quiet and the

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customers discover the bug. Hence in order to keep its reputation with its customers and show its commitment to them the company should own up and fix the bug for all software copies sold even if it involves expenses for it. (B), (C) and (D) talk about keeping silent about the problem and hence can be ruled out. (E) is also not correct. Taking off a product that has sold more than a million copies is also an extreme step which will show up the company in a poor light.

**5. B** The important cause behind this entire incident was definitely the fact that while Mr Thakur took the bold initiative of negotiating wage contracts directly with supervisors he was inconsistent. He took the trouble to negotiate with day supervisors personally but failed to follow the same process for night supervisors which led to Ram Lal feeling aggrieved, resulting in the incident.

**6. E** Since the immediate cause of the problem was the inability of night supervisors to deal directly with Mr Thakur, if Thakur had created a process for night supervisors to meet him then the unpleasant incident with Ram Lal and its effect on the organization could have been avoided. Hence 2 comes first in terms of impact on organization. 3 would be next in terms of positive impact if Thakur had generally followed a policy of allowing employees to see him without an appointment. The problem with Ram Lal was aggravated by his repeated inability to see Thakur. Delegating the task of negotiating wage contracts with night shift employees to the Personnel Deptt. would have been next most effective though it would have been overall inconsistent with Thakur's policy. Postponing the decision of wage revision of night shift supervisors would have been least effective. Since contracts had been already made out for day supervisors this would have only added fuel to the problem. Hence the sequence 2-3-1-4 is the right one.

**7. B** Option (A) is incorrect because his objective was definitely not to create a channel wherein employees could bargain on their wages. Option (C) is not correct as there is no mention in the passage that the supervisors were planning collective action against the management. Similarly neither option (D) nor option (E) are borne out by the statements mentioned in the passage.

**8. B** The reason(s) for Ram Lal's "grievance" have been mentioned as both his inability to meet the President & the unfairness of his wage contract. Thus, option (B) is the correct answer. Option (C) states the immediate cause of his outburst in the President's office.

**9. C** Obviously the Personnel Department would be disgruntled with Mr. Thakur's initiative because he had deliberately aggravated the problem by keeping it out of the picture. Since Thakur was unilaterally negotiating contracts without keeping the company in the picture about the financial implications of his contracts the Finance Deptt would also be disturbed about it. Lastly since the problem involved factory supervisors the production department would also be annoyed. If consulted it would have been able to advise Thakur about day and night shift workers and how they were likely to react to his manner of dealing with them.

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**10. D** The fact that Mr Thakur hit Ram Lal back when he tried to assault him shows that he clearly became emotionally unstable under pressure and did not deal with the problem in a manner befitting a mature, senior executive.

**11. E** The answer is ‘may be never’ because it is not possible to find out the year in which Shekhar is going to break even simply from the data provided. While the sales in Patna and Bistupur may be the same, the costs (for example rentals) may be very different in Patna compared to Bistupur and hence we cannot predict that Shekhar will enjoy the same profit margin as the franchisee in Patna. Thus in the absence of complete information we cannot predict any certain figure for break-even and therefore “may be never” is the best choice.

**12. E** ‘Patronage’ here means the support that a person gives to a shop/store etc. by spending money there. Refer to the lines “Most upper middle class customers stopped there”. Thus option (E) is the most appropriate choice.

**13. D** Shekhar has made his initial assessment based on his impression of the ‘low image’ of Sakchi and his expectation that the college going crowd of Bistupur would be his target market. Since this has landed him in confusion, he should do a more in-depth study to find the drivers and potential of the business before coming to a conclusion.

**14. C** Shekhar’s decision on whether to take up the Music World franchise would depend to a large extent upon how well he expects the business to grow in future. This would impart his decision, for instance, to set up the store in Sakchi rather than Bistupur if the market really is expected to grow there in future. Factors like real estate prices and profitability of business in first two years would be short-term factors while factors such as changes in the music industry would be largely beyond the scope of decision-making.

**15. C** The learning from the solitaire incident is that people in certain roles would have different ways of carrying out their duties. The way Rabindra reacted to the solitaire incident and took a unilateral decision without informing his supervisor clearly illustrates this.

**16. D** In this option both the problem and its justification are correctly linked. Rabindra jumping to conclusions without investigating whether Om had carried out his duties is the root problem with the right justification for it.

**17. A** In order to resolve the issue it is necessary to revoke Rabindra’s order because it was definitely a harsh punishment for a small act of negligence not properly investigated. This would resolve the issue and communicating the right reason for it would benefit the organization as a whole.

**18. D** The problem that Rabindra’s decision created lay with the fact that he acted on impulse without investigating the matter properly. Hence D is the right choice.

**19. C** Bola’s desire to contribute to the society cannot be realized if he does not set-up business and earn money. At the same time, he has reservation against the possible damage caused by his enterprise to the environment. Option (C) provides the best way out as it resolves this conflict in the best possible manner.

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**20. D** Option (A) can be eliminated as it won't be pragmatic to stop developmental activities as the local people also enjoy the benefits of development. Option (B) can also be rejected as it goes against Bhola's idea of not damaging the environment. Option (C) can be eliminated. Eco-tourism, if controlled by the government keeping in mind the interest of stakeholders, may actually go against the larger interests of protecting the environment. Between options (D) and (E), option (D) is a better alternative as the kind of eco-tourism suggested here would involve synergetic efforts among NGOs, the government and the private players.

**21. B** Option (B) would be the most effective measure as it would encourage protection of the environment and discourage pollution of the environment at the same time.

**22. D** The best course of action that Guruji can suggest to Bhola to score a quick win would be best reflected by option (D). Statement D hints at pointing out the good work done by Bhola's government without pointing fingers at anyone. Option (C) is frivolous as it suggests accusing the opposition. Moreover, this measure might prove to be ineffective if the unemployment levels turn out to be more.