

XAT 2024

Decision Making

Instructions [29 - 31]

Read the following scenario and answer the THREE questions that follow.

Mr. Singh lived in a sprawling housing society. He employed two part-time domestic helps, Vimla and Sharda. Vimla was responsible for cleaning and dusting, while Sharda took care of cooking.

Once Sharda fell ill and consequently took leave for three days. When Sharda returned to work, she learned that Mr. Singh's gold ring, a gift from his mother, was missing. Suspecting theft, Mr. Singh had terminated Vimla. Mr. Singh asked Sharda to take additional responsibility of cleaning the house, along with an offer to double her salary. Sharda accepted the offer as her previous two jobs were lost due to frequent health-related absences. She was struggling to make ends meet; this offer would go a long way to help her.

Next day, while cleaning under the dressing table, Sharda found the gold ring. Overjoyed, Mr. Singh expressed his gratitude by presenting Sharda a reward of one thousand rupees! However, he made no mention of reinstating Vimla.

- 29.** Sharda was contemplating whether she should inform Vimla that she found Mr. Singh's ring. Which of the following considerations will BEST dissuade Sharda in sharing the information about the ring with Vimla?
- A** Mr. Singh will probably terminate Sharda if he gets to know that she has revealed this information.
 - B** Had Vimla done her job properly, she would have found the ring and avoided this incident.
 - C** Vimla already knows she has not stolen anything, so telling her will not give her any new information.
 - D** Sharda is not keeping well, and Mr. Singh warned her that her frequent absences could lead to her termination.
 - E** Whenever Sharda was absent, Vimla used to help her by taking over her responsibilities.
- 30.** Two months passed, and owing to Sharda's improved health and dedication, Sharda started working in three more houses. However, Vimla was dismissed from her jobs in two more houses primarily due to the ring incident. News of the discovery of the lost ring had not become public, and Sharda wanted to help Vimla. Sharda is contemplating over possible actions. Which of the following actions, by Sharda, will BEST help Vimla?
- A** Confront Mr. Singh about concealing the discovery of the lost ring from the housing society residents.
 - B** Inform Vimla that the ring has been found and advise her to demand compensation from Mr. Singh for tarnishing her image.
 - C** Inform as many domestic helps in the housing society as possible that she has found the ring.

- D Quit the job at Mr. Singh's house and ask him to consider offering that job to Vimla.
- E Divulge to Vimla's employers in the housing society that she has found the ring.

31. The news of the discovery of the lost ring eventually became public. The domestic helps in the society were chagrined by the treatment meted out to Vimla and the fact that the news of the discovery was not made public immediately. They wanted to ensure that they would not get targeted every time if something goes missing.

Which of the following policy options will BEST minimize the chance of employers suspecting their domestic workers of theft in the future?

- A The domestic workers will undergo a daily search by the security guards when leaving the society.
- B When a domestic worker is terminated on suspicion of theft without proof, they will have to be paid at least one month's salary in full.
- C The current address and contact details of all domestic workers should be submitted to the housing society.
- D If there is a suspicion of theft, the security guards will first conduct a thorough search of the affected house.
- E When a domestic worker is terminated on suspicion of theft, the employer will have to publicly apologize if the domestic worker can prove their innocence.

Instructions [32 - 34]

Read the following scenario and answer the THREE questions that follow.

In Symbolis, an upcoming medium sized IT services organization, only 1% of the employees were awarded an annual performance bonus. This annual performance bonus was decided by a committee formed of different functional heads. When Ms. Nalini Kattakayam received the annual bonus for the first time in her five years at Symbolis, Ms. Shalini Sampath, a colleague with seven years of tenure at Symbolis, told Nalini that this annual bonus was less a reflection of Nalini's performance and more a recognition of those who have fostered a strong rapport with the powers that be. Incidentally, Shalini had never received any performance bonus in her tenure at the company.

32. Shalini's comments deeply hurt Nalini, especially since she had always considered Shalini to be a close friend. Nalini felt like declining the bonus, given her respect for and relationship with Shalini.

Which of the following reasons, if true, will BEST dissuade Nalini from declining the bonus?

- A Shalini, good at heart, is known for making insensitive comments.
- B Shalini is known for confronting her boss whenever they changed deadlines.
- C In her close group, Nalini is the first person to receive the bonus.
- D Very few people, who are not considered loyal, receive the bonus.
- E Shalini's irreverent comment about her previous boss pushed her out of that team.

33. Since receiving the performance bonus, Nalini noticed a change in how her teammates behaved with her; they appeared indifferent towards her. Although there were no major issues, Nalini could not help but sense that her teammates began to perceive her as having a closer relationship with the top brass, following her recent accomplishment. Nalini assumed that her teammates might be influenced by Shalini; consequently, they seemed to be avoiding informal interactions with her.

As Nalini had to rely on the support of her teammates, what could Nalini BEST do to normalize her relationship with them?

- A** Do nothing in the hope that things will normalize in time.
- B** Confront Shalini and ask her to stop spreading rumors.
- C** Invite her teammates for dinner on a weekend.
- D** Start saying negative things about their bosses to her teammates.
- E** Talk to her teammates regarding their indifference towards her.

34. A significant project recently arrived at Symbolis, and Nalini was chosen to spearhead it. She was given the autonomy to create her own team to collaborate and drive this project to success. Nalini wanted to build a team where each of the team members worked with great comradery. As Shalini had previous experience of working with the client, Nalini offered her to join the team. However, Shalini expressed her willingness to work on the project only on the condition that she would be appointed as a team leader.

Nalini was aware that the client was very difficult to work with. Of the three previous projects with the client, only the one, where Shalini was a team member, was successfully completed.

What should be the BEST course of action for Nalini regarding the inclusion of Shalini in the team?

- A** Form a team without Shalini and inform her boss about Shalini's demand.
- B** Ask Shalini to reconsider as this project can be important to both of them.
- C** Tell her boss that Shalini should lead the team as she has worked with the client before.
- D** Complain about Shalini's attitude to the human resource manager.
- E** Request her boss to order Shalini to join the team.

Instructions [35 - 37]

Read the following scenario and answer the THREE questions that follow.

Raman had been working tirelessly as a Project Manager in the IT department of Flying Groceries, a renowned app-based supply chain company, for the past three years. Having graduated from a top-tier engineering college, he dived straight into the corporate world, managing projects with great zeal that inspired his seniors.

At the end of his first year with Flying Groceries, impressed with his hard work, Raman's boss, Suraj, the founder-CEO of Flying Groceries, fast-tracked his promotion and made him Delivery Manager responsible for multiple projects of a vertical. Suraj also promised Raman the position of Chief Operation Officer in the fifth year of his tenure.

In search of a greater career trajectory, Raman pursued entrance exams for business schools. His efforts bore fruits as he secured a place in the country's best business school, known for a strong alumni base, stellar placement records and demanding academic requirements.

Raman was delighted; he had three months to join the business school. Flying Groceries demanded that any employee who wished to leave the organization should give at least a month's notice. Raman decided to continue working and enriching his work experience, which will be beneficial when applying to companies after graduating from the business school. Therefore, he decided not to share the news of the offer with anyone else for the time being.

35. Flying Groceries was planning to implement a much-needed update to enhance the functionality and user experience of their app. According to Suraj, the update was expected to take at least six months to complete. Suraj wanted Raman to lead this project because his leadership was critical for the project's success. However, Raman knew that he would be there only for three months; he was not sure whether he should accept the project.

Which of the following information, if true, will BEST assist Raman in accepting the role of leading the project?

- A** During his time with Flying Groceries, Raman finished some projects ahead of schedule.
- B** Raman could requisition more human resources to his team for the next three months.
- C** Suraj might advise against the update if he got to know that Raman was leaving soon.
- D** The last two projects Raman led were successfully completed by his subordinates during his exams.
- E** Raman had previously taken many projects home, and the business school would have no classes during the weekends.

36. After a couple of months, Raman resigned. Suraj was shocked by Raman's resignation and asked him to reconsider his decision. When Raman expressed his inability to continue, Suraj felt betrayed. This led to a series of heated arguments between them, and they swore to never work together again.

Raman joined the business school; however, he soon realized that that summer internship placements were approaching. Consequently, he would require verification of his responsibilities from Flying Groceries.

Which of the following actions is the MOST appropriate for Raman to obtain his verification?

- A** Raman should write a sincere and professional apology letter, expressing regret for the argument Raman had with Suraj.
- B** Raman should write an email to Suraj, emphasizing Raman's roles and responsibilities, and request him to approve them.
- C** Raman should contact the HR representative to facilitate the verification of Raman's responsibilities.
- D** Raman should reach out to a mutual acquaintance within the company and ask her to intervene.
- E** Raman should re-establish communication with Suraj through social media platforms like Facebook and persuade him there.

37. Raman received a verification letter from Flying Groceries outlining his basic job responsibilities during his tenure there. However, Raman required a document to substantiate the additional responsibilities he undertook at Flying Groceries by going beyond his call of duty. Sadly, he did not have any documentation of such additional responsibilities.

Which of the following options will BEST help substantiate the additional responsibilities Raman undertook?

- A** Raman should create documentation, detailing quantifiable metrics and results about his extra work based on his memory.

- B** Raman should collect testimonials on his additional responsibilities from his ex-teammates at Flying Groceries.
- C** Raman should write a public post on social media, appealing to Suraj, mentioning the challenges he faced while taking additional responsibilities, and how he overcame them.
- D** Raman should call Suraj and explain that he will not be able to get a consulting or an operations job without verification.
- E** Raman should reach out to the recently recruited Chief Supply Chain officer at Flying Groceries to highlight the additional work he contributed to facilitate the officer's tasks.

Instructions [38 - 40]

Read the following scenario and answer the THREE questions that follow.

Kasta, a small industrial town hosted a steel plant and its associated ancillary companies. Most of its residents were steel plant employees from different states of the country. While the town offered employment opportunities, it lacked an airport. For those wanting to fly, the nearest airport was in Michaelganj, 100 kms from Kasta. To reach the airport, people rented taxi services available at Kasta, and Prabhu was one such taxi-service provider.

Prabhu's rates were reasonable — a trip to airport cost Rs. 2200, but for a round trip, the fare was Rs. 3000. Yet, it was not just the affordability that made him popular, his reputation for punctuality and reliability was unmatched. When it came to ensuring the safety of women travelling alone, he would always be the first choice. Such was his trustworthiness that even the steel plant would solicit his services when expecting solo female visitors. Moreover, whenever residents encountered issues with their personal cars, they would turn to Prabhu for help.

However, the world shifted when the COVID-19 pandemic struck. Travel restrictions and safety concerns limited Prabhu's trips to Michaelganj for over a year and a half. Financial strain followed, with accumulating interest on his home loan. He was weighed down by debt, but things improved once COVID-19 travel restrictions were lifted. Having faced financial hardships during COVID-19, he sought to offset his losses by raising the fare. Yet, he was aware of the stiff competition in town, where many others offered services at a similar fare as his.

38. Prabhu decided to increase the taxi fare for all future trips. He planned to charge Rs. 3000 for a one-way trip to the airport, and Rs. 1000 more for a round trip.

Which of the following facts will BEST help Prabhu's regular customers in accepting the increase in fare?

- A** Because, the cost of living has gone up in Kasta.
- B** Because, Prabhu is punctual and reliable.
- C** Because, Prabhu is facing financial hardships.
- D** Because, Prabhu offers repair services to residents' car-related issues.
- E** Because, Prabhu serves many top officials of the steel plant.

39. After Prabhu increased his charges by 30%, the revenue flow was promising in the beginning, especially from the steel plant's official trips. After a few months, he noticed a dip in private bookings. On exploring further, Prabhu realized that while women travelling solo still preferred Prabhu's service, some of his regular customers were choosing his competitors when travelling as a family. However, he knew that his competitors, while charging lower than him, were still tardy and sometimes cancelled at the last minute. Which of the following options will BEST help Prabhu to retain his revenue flow?

- A** Revert the pricing of services to its prior rate.

- B Give 50% discount for personal trips.
- C Stick to his current increased charges.
- D Charge a premium when women travel solo.
- E Charge a premium for the steel plant's official trips.

40. Saroj, the new Chief Financial Officer (CFO) at the steel plant, used the services of Manoj when he first travelled from the Michaelganj airport to the plant. Manoj was a rival of Prabhu in the taxi service business at Kasta. Manoj, upon learning that Saroj would be responsible for hiring taxi services for the steel plant, charged Saroj only Rs. 1500 for that trip. Further, he assured Saroj to charge the same for a one way-trip and additional Rs. 500 for a round trip to the airport.

Upon realizing that the plant utilized Prabhu's services for all official trips to the airport, Saroj contacted Prabhu to discuss the rates offered by Manoj and inquired why the plant should continue using his service when Manoj provided the same at a lower price. Prabhu realized that Manoj charged an extremely low price just to push Prabhu out of his business in the Steel Plant.

Which of the following reasons given by Prabhu will BEST help his cause?

- A Prabhu should warn Saroj that Manoj's offer is not sustainable.
- B Prabhu should request Saroj to talk to a few of his colleagues before taking any decision.
- C Prabhu should introduce Saroj to Ms. Nidhi Tawde, his regular customer.
- D Prabhu should offer to lower his price to the one offered by Manoj, exclusively for the steel plant.
- E Prabhu should tell Saroj that Manoj is unreliable and tardy, and women are unsafe with him.

Instructions [41 - 43]

Read the following scenario and answer the THREE questions that follow.

Ms. Vineeta Lama, a respected figure in the small town of Jampur, found herself stranded on the road, once again, when her old small hatchback car broke down. Finding herself alone on the deserted road with no one to help, Vineeta, in desperation called Shyam Saigal, the General Manager of Balaji Motors – the only dealership in Jampur that sells Diplomatico cars, the brand that Vineeta drives. Vineeta knew Shyam from her frequent visits for getting her hatchback car serviced. Surprisingly, he arrived within fifteen minutes, accompanied by a mechanic from his dealership. Further, he arranged for the vehicle to be towed and kindly offered Vineeta a ride home. On the way back, he advised Vineeta to exchange her old car with a new Sports Utility Vehicle (SUV) on a good discount from his dealership. He assured her that he would add several additional services to ensure her SUV remained in excellent condition for many years ahead.

41. Due to her old car's frequent breakdowns, Vineeta decided it was a time to replace it. She was afraid whether buying a Diplomatico SUV from Balaji Motors, as suggested by Shyam, will be a right decision for her.

Which of the following pieces of additional information will help her the MOST in taking the right decision?

- A She has no idea which SUV to choose, and she feels that all SUVs are the same.
- B Her brother, an SUV enthusiast, staying in a metro city, has advised her to stay away from Diplomatico Cars.
- C In Jampur, SUVs have a 6-month waiting period; however, one red-coloured Diplomatico SUV, not her favourite colour, is available at Balaji Motors.
- D Jampur, being an old city with congested roads, has a parking problem in many areas.

- E** A new dealership of Panther Motors, the highest selling car brand in the country, is about to come to the town soon.

- 42.** Shyam's satisfaction from meeting the month's quota for selling SUVs turned to dismay when one of his young executives nervously told him that he mistakenly punched an extended warranty for free to Vineeta's purchase contract earlier that morning. This could not be reversed from the company's system and meant a loss of Rs. 19,000 for the dealership. The executive was very sorry and was ready to take accountability. However, the amount was too large to be borne by the executive.

Shyam was not concerned about placing accountability, but rather the recovery of the loss. He was unsure whether he should ask Vineeta for the money.

The following pieces of information are available to Shyam:

- A. Shyam is aware that Vineeta is very happy with the deal he gave her for the car.
- B. Shyam feels that Diplomatico's software system is complicated for new employees, which might have also played a role in the error.
- C. Vineeta has a wide network and can connect Shyam with many potential customers.
- D. Vineeta's brother, a car enthusiast, has enough knowledge of how car dealers operate.
- E. Shyam feels that if he maintains the current sales volume, he might be able to persuade Diplomatico to write off the amount (Rs. 19,000).

Which of the following combinations, of the above pieces of information, will MOST likely stop Shyam from trying to recover the money from Vineeta?

- A** A & B
- B** A & D
- C** C & D
- D** C & E
- E** B & E

- 43.** Three months passed. While returning from a friend's house, Vineeta's new SUV was hit by another car. Fortunately, she was not injured, but the SUV was badly damaged. Surprisingly, when Vineeta took the car for repairs to Balaji Motors, she was told that the repairs would not cost her anything as the extended warranty on her car covered such accidents. Vineeta could not recall purchasing such a warranty; hence, she contacted Shyam. Shyam informed her that the extended warranty was mistakenly punched into her contract by an executive. As this mistake could not be reversed due to the company's rigid policies, Shyam bore the cost of Rs. 19,000. He further added that Vineeta should consider it a gift from Balaji Motors for purchasing the highest-priced Diplomatico SUV.

As Vineeta rode back home, she wondered if she should pay Rs. 19,000 to Shyam since the extended warranty came to her aid that day.

Which of the following is the MOST compelling rationale for Vineeta to justify not paying Rs. 19,000 to Shyam?

- A** She paid more for the Diplomatico SUV, compared to the price of a similar SUV from Panther.
- B** She is aware that for expensive SUVs like hers, dealers often offer free extended warranty.
- C** The mistake happened three months back and is water under the bridge now.

D Had the accident not happened, she would not have been aware of the warranty.

E Shyam would have come back to her if he had needed the money.

Instructions [44 - 46]

Read the following scenario and answer the THREE questions that follow.

ABC Business School was a school with a difference. Regarded as one of the top business schools in western India, but relatively unknown beyond that, the school catered to smaller organizations seeking to hire students for sales and marketing positions, with occasional openings in HR roles. These students were open to secure job opportunities, even if they offered relatively lower salaries. The organizations, that recruited from ABC, did not really care for the talent, but appreciated the students' ability to follow orders without questioning them. The school's strength laid in its alumni, who consistently returned to the institution for recruitment, thereby ensuring the school's continued existence. Given the placement record, the school attracted a specific segment of business school aspirants, who wanted a solid job but were not excited about learning.

- 44.** Recently, some alumni of ABC threatened that their children should be given preference in admissions, or they would withdraw as recruiters. The director was, however, hesitant about allowing alumni to interfere in running the school because the fairness of the admissions process had earned ABC high respect within the corporate world that recruited from the school.

Which of the following reasons, if true, will BEST help the director NOT to worry about pandering to those alumni?

- A The alumni were the reason that ABC was able to attract corporates.
- B Some of the alumni were regularly teaching as guest faculty in the school.
- C The alumni depend upon ABC's success to enhance their employability.
- D No business school, in the region, has allowed alumni any say in managing the operations.
- E ABC has not entertained any requests from the alumni till date.

- 45.** Across the country, business schools were ranked by popular magazines. A few business schools in the same region were applying for rankings, hoping that rankings will affect their visibility among corporate houses and recruiters. To achieve a good rank, ABC faculty members, who have primarily focused on teaching thus far, would need to actively engage in research and consulting activities. The director was aware that asking the faculty to switch to research and consulting would not be easy.

Which of the following facts will BEST help the director not to worry about applying for rankings?

- A The alumni do not follow research publications in general.
- B The alumni do not care for the teachers, or classes, in general.
- C The alumni are aware that ABC offers a retainable talent pool.
- D ABC's placements in the previous year were completed in 4 days.
- E ABC could never break into the top 40 ranks in the country when it applied earlier.

- 46.** A few faculty members complained to the director regarding the lack of attendance and seriousness among many students during classes and exams. The director knew that this had been the case for decades but became more rampant in the last few years. He was also aware that the classes were mostly

rituals, conducted to tell the world that ABC believed in education and had little bearing on placements. However, he believed that students must be told to attend classes and take exams with serious attitude.

Which of the following announcements by the director will BEST ensure that faculty stop complaining about student attendance?

- A Students, who attend every class, should be given “thank you” notes from the director.
- B Students should be asked to pay a monetary penalty for missing classes.
- C Faculty members, who make classes very engaging, should be felicitated during the convocation.
- D Only students, with at least 85 percent class attendance, will participate in placements.
- E Students should be rewarded for contributing to in-class discussions and learning.

Instructions [47 - 49]

Read the following scenario and answer the THREE questions that follow.

DeepSea is a natural gas extraction company that retrieves natural gas from rock formations beneath the seabed. This gas is then transported through its extensive pipeline network to a bottling plant, located at the sea surface, for processing. The gas in rock formations is pressurized, enabling it to flow to the surface and reach the bottling plant. Yet, excessive pressure can cause bursts in the pipeline, leading to uncontrolled gas release, known as blowout. A blowout carries a staggering cost, encompassing not only environmental damage but also reputation loss and financial losses totaling crores of rupees. Additionally, the impacted section of the pipeline requires a complete replacement.

Industry safety regulations divide the pipeline network into three levels: Level 3 is the part under the seabed, Level 2 is the part above the seabed but in the deep sea, while Level 1 is near the surface. The safety regulations require multiple blowout preventer valves, from now on simply referred to as valves, to be placed at the three different levels of the pipeline network. The valves are normally kept closed, but when the pressure in any part of the pipeline rises beyond a critical level, nearby valves are opened remotely to release the pressure in a controlled manner to prevent blowout. The number of valves across the pipeline helps localize the pressure release, with a greater number of valves providing a backup mechanism, helping in improving pressure localization in case of a blowout. Given that the valves themselves can occasionally malfunction and not release the pressure when needed, using a higher number of valves ensures that a malfunctioning valve can seek the safety of a nearby functioning valve.

A valve can malfunction in two ways: it may fail to release pressure when needed, as previously mentioned, or it can leak gas during regular operation, resulting in unwanted losses. When a valve malfunctions, it necessitates manual replacement.

In the DeepSea Network, 30% of the valves are located at Level 3, which is the deepest level. The remaining valves are evenly distributed between the top two levels. These valves are critical to ensuring safety and are exclusively supplied by GoValve, a highly specialized manufacturer that holds a monopoly in the country's market.

47. GoValve has recently proposed a maintenance package for the valves to DeepSea, which includes a clause that whenever a valve at Level 3 malfunctions, all valves at that level will be replaced. Accepting the clause will cost a significant premium. The management of DeepSea have the following pieces of additional information under consideration:

- A. The valves are known to be prone to malfunction.
- B. Any malfunction in one valve often results in leakage from the neighboring valves.
- C. GoValve is ready to negotiate a discount if the clause is accepted.
- D. Replacing the valves at Level 3 is a very difficult job, which is best done by GoValve.
- E. The chances of pressure buildups are higher near the seabed.

Which of the following combinations, of the above pieces of additional information, will help the management of DeepSea the MOST in accepting the clause?

- A** A, B & D
- B** A, B & E
- C** B, C & D
- D** A, C & D
- E** C, D & E

48. A startup, SafeValve, has started importing a technologically superior brand of valves from abroad, which boasts a significant reduction in gas leakage. SafeValve has established a large inventory of these imported valves but is struggling to gain foothold in the local market. An NGO, working for the protection of marine lives, has appealed to DeepSea to replace their existing valves with the product from SafeValve. However, the installation of this new valve will require substantial modification in the pipeline, entailing unknown challenges in installation and maintenance.

Which of the following reasons, if TRUE, can DeepSea BEST cite to publicly reject the appeal?

- A** The new valves cost twice as much as the existing valves.
- B** GoValve is a reputed brand and had a partnership with DeepSea for a long time.
- C** Only some developed countries have mandated the use of the new valves.
- D** SafeValve depends exclusively on imports and may be prone to procurement issues.
- E** GoValve follows the strictest global industry standards of leakage prevention.

49. A startup, SafeValve, has started importing a technologically superior brand of valves from abroad, which boasts a significant reduction in gas leakage. An update to industry safety regulations has come out, which allows a lower number of valves in a pipeline network, if technologically superior valves, similar to those imported by SafeValve, are used for the entire network.

DeepSea is aware that the more the number of valves, the better is DeepSea's ability to contain blowouts. However, a higher number of valves increases the chance of a leakage. Therefore, DeepSea is contemplating a proposal to reduce the number of valves to almost half, by replacing the existing valves (by GoValve) with the valves sold by SafeValve. A team, tasked with evaluating the proposal, has made some observations, listed below.

Which of the following observations is the MOST helpful in REJECTING the proposal?

- A** There is no clear industry standard for the minimum number of valves required at a certain level.
- B** At Level 1, the chance of a pressure rise is much lesser compared to the other two levels.
- C** At Level 3, a blowout results in more time consuming and expensive repairs compared to the other two levels.
- D** The superiority of the SafeValve products is only in terms of preventing leakage, not blowouts.
- E** If a GoValve valve is opened to prevent a blowout, the chance of leakage from the valves within a certain distance increases.

Answers

29.A	30.B	31.A	32.A	33.E	34.C	35.E	36.B
37.B	38.B	39.B	40.C	41.E	42.B	43.D	44.B
45.C	46.C	47.D	48.E	49.E			