

XAT Decision Making

Sample Paper – 7

Duration: 48 Minutes

Maximum Marks: 21

Instructions

- This paper contains **21** Multiple Choice Questions (Single Correct Answer), modelled on the Decision Making section of **XAT** (Xavier Aptitude Test), conducted by XLRI.
- Each correct answer carries **+1 mark**, with **0.25 marks deducted** for every incorrect answer. (In the actual XAT you may leave up to **8** questions across Part 1 unattempted without penalty; thereafter each blank costs **0.10** marks.)
- The paper has **six caselets**, each describing a business or ethical situation and followed by a few questions.
- Choose the **most appropriate** option, that is, the action that is honest, fair to all stakeholders, and still workable. Decide **only** from the facts in the caselet; do not invent details.
- Attempt this practice paper in one timed sitting of about **48 minutes**. Use of mobile phones and electronic gadgets is prohibited.

Caselet I

Directions (Q1–Q4): Read the following situation and answer the questions that follow.

Neha, an investigative reporter, receives a leaked internal document from an anonymous source. It appears to show that a public hospital knowingly used expired medicines and hid the resulting harm from patients. The matter is clearly of genuine public interest. However, the document was obtained without authorisation, some of its claims are not yet independently confirmed, and naming certain individuals could badly damage reputations if any detail turns out to be wrong.

Q1. What is the most appropriate course of action for Neha?

- (A) Independently verify the key claims, give the hospital a fair chance to respond, and publish what is confirmed and genuinely in the public



interest.

- (B) Publish the entire document at once exactly as received, without checking any of its claims.
- (C) Destroy the document and drop the story to avoid any legal trouble.
- (D) Hand the document back to the hospital and let it decide what should be made public.

Q2. The central dilemma Neha faces is best described as:

- (A) the tension between the public's right to know serious wrongdoing and the duty to publish only verified, fair information.
- (B) whether journalism is a worthwhile profession at all.
- (C) whether the hospital should be allowed to buy any medicines in future.
- (D) whether Neha deserves a promotion for landing the scoop.

Q3. Which of the following would be the **least** appropriate action?

- (A) Verifying the claims with independent sources before publishing.
- (B) Publishing every name and unverified detail immediately just to be first with the story.
- (C) Seeking a response from the hospital before going to print.
- (D) Consulting an editor and a legal advisor on what is safe and fair to publish.

Q4. Choosing to publish the document immediately without any checking would mainly rest on the assumption that:

- (A) the hospital will always refuse to comment anyway.
- (B) no reader will ever care about the story.
- (C) the source can never be identified by anyone.
- (D) every claim in the leaked document is already true and needs no verification.



Caselet II

Directions (Q5–Q7): Read the following situation and answer the questions that follow.

Karan manages a software team facing a firm client deadline in three days. Farida, a key member handling a critical module, tells him her mother has been suddenly hospitalised and she must travel home for a few days. Losing her now puts the deadline at real risk, and her specific expertise cannot easily be replaced at short notice. Karan also knows the family emergency is genuine and pressing, and that how he responds will shape how the whole team trusts him.

- Q5.** What is the most appropriate first step for Karan?
- (A) Refuse Farida’s leave and insist she stays until the deadline is met.
 - (B) Grant the leave but publicly blame her if the project slips.
 - (C) Do nothing and hope the deadline somehow takes care of itself.
 - (D) Grant the emergency leave, redistribute her tasks across the team, and speak to the client early about a realistic revised plan.
- Q6.** The central dilemma Karan faces is best described as:
- (A) whether Farida is skilled enough to keep her job.
 - (B) whether software deadlines matter at all.
 - (C) the tension between supporting an employee’s genuine emergency and meeting a hard business commitment.
 - (D) whether Karan should learn to write the module himself overnight.
- Q7.** Which principle best guides a fair decision here?
- (A) Treat employees with compassion in genuine emergencies while managing commitments honestly and openly.
 - (B) Business deadlines must always override every personal circumstance without exception.
 - (C) Personal matters should always be hidden from the client, whatever happens.
 - (D) A manager should never adjust a plan once it has been set.



Caselet III

Directions (Q8–Q11): Read the following situation and answer the questions that follow.

Delta Infra is choosing a contractor to build a road bridge. The cheapest bidder, BuildFast, quotes Rs 40 crore but has had 5 serious safety incidents on its sites in the past three years. A rival, SafeSpan, quotes Rs 46 crore and reports only 1 such incident in the same period. Vikram, the project manager, must recommend a contractor, knowing that a safety failure on a bridge can cost lives as well as money.

- Q8.** What should Vikram most appropriately do?
- (A) Weigh both price and safety record together and recommend the contractor offering the best safe value, not the cheapest alone.
 - (B) Recommend BuildFast purely because it is the cheapest, setting its safety record aside.
 - (C) Cancel the whole project because no contractor is ever perfectly safe.
 - (D) Recommend whichever contractor privately offers Vikram a personal favour.
- Q9.** The safety data (5 incidents versus 1) most strongly supports which conclusion?
- (A) BuildFast's lower price fully makes up for its weaker safety record.
 - (B) Safety records are irrelevant when choosing a bridge contractor.
 - (C) BuildFast's far higher incident rate is a serious risk that its Rs 6 crore price advantage may not justify.
 - (D) SafeSpan should be rejected simply because it costs more.
- Q10.** If the contractor with the poor safety record is chosen, who is most affected?
- (A) The rival contractors who lost the bid.
 - (B) Delta Infra's accounting department alone.
 - (C) The public who will use the bridge and the workers who build it, whose safety is at stake.



(D) The company that supplies office stationery to Delta Infra.

Q11. Which principle best guides this decision?

- (A) The lowest bid should always win, regardless of any other factor.
- (B) When lives are at stake, safety and reliability must weigh heavily alongside cost.
- (C) Past safety incidents tell us nothing about future risk.
- (D) A manager should hide safety concerns to speed up the decision.

Caselet IV

Directions (Q12–Q14): Read the following situation and answer the questions that follow.

Ananya is CEO of an online retailer that has just suffered a data breach exposing some customers' names, email addresses and partial card details. The breach has now been contained, but affected customers do not yet know it happened. Disclosing it may worry customers and dent the company's image in the short term, yet those customers may need to act to protect themselves, and both the law and simple trust point towards telling them promptly.

Q12. What is the most appropriate course of action for Ananya?

- (A) Say nothing publicly and hope customers never find out about the breach.
- (B) Announce it only if a journalist happens to ask about it first.
- (C) Blame an individual junior employee publicly to deflect attention.
- (D) Promptly inform affected customers, explain what was exposed and how to protect themselves, and set out the fixes already made.

Q13. The central dilemma Ananya faces is best described as:

- (A) the tension between protecting the company's short-term image and being honest with customers who may be at risk.
- (B) whether the company should sell products online at all.
- (C) whether Ananya truly deserves her salary as CEO.
- (D) which colour scheme to use on the company website.



Q14. Which of the following would be the **least** appropriate action?

- (A) Informing affected customers promptly and clearly.
- (B) Explaining the steps taken to fix the vulnerability.
- (C) Quietly hiding the breach and hoping no customer is ever harmed.
- (D) Offering customers guidance on protecting their accounts.

Caselet V

Directions (Q15–Q18): Read the following situation and answer the questions that follow.

In Rohan's team, Sameer repeatedly presents ideas and work done mainly by a quieter colleague, Latha, as his own during meetings with senior managers. Latha has privately complained to Rohan and is steadily losing motivation. Sameer is well liked by the seniors and seems either unaware of, or unwilling to admit, how this looks. Rohan, the team lead, must address the pattern fairly, without wrecking the cooperation the team still needs to function.

Q15. What is the most appropriate course of action for Rohan?

- (A) Speak privately with Sameer about the pattern, ensure work is credited accurately from now on, and set clear team norms for attributing contributions.
- (B) Publicly humiliate Sameer in the next team meeting in front of the seniors.
- (C) Ignore Latha's complaint, since Sameer is popular with the senior managers.
- (D) Quietly move Latha to another team to make the friction go away.

Q16. Whose interests are most affected by Sameer's behaviour?

- (A) The senior managers who happen to like Sameer.
- (B) Latha, whose work goes unrecognised and whose motivation is suffering.
- (C) The company's outside suppliers.
- (D) Sameer's family and friends.



- Q17.** Choosing to ignore the problem because Sameer is popular would rest on the assumption that:
- (A) Latha will always stay motivated no matter how she is treated.
 - (B) crediting work accurately is impossible in any team.
 - (C) Sameer will confess on his own without any prompting.
 - (D) keeping a popular member comfortable matters more than fairly recognising who did the work.
- Q18.** Which principle best fits this decision?
- (A) Popular team members should never be questioned about their conduct.
 - (B) Credit belongs to whoever presents the work most confidently.
 - (C) A leader should avoid every difficult conversation to keep the peace.
 - (D) Work should be credited honestly to those who did it, and concerns addressed fairly regardless of who is popular.

Caselet VI

Directions (Q19–Q21): Read the following situation and answer the questions that follow.

The municipality of Rehanpur faces a severe drought. Its single reservoir can no longer fully supply both the surrounding farmers, who depend on irrigation for their livelihoods, and the fast-growing town, whose residents need safe drinking water. The council must decide how to share the scarce water. Cutting off either side entirely would cause real hardship, and both groups strongly feel their own needs should come first.

- Q19.** What is the most balanced course of action for the council?
- (A) Give all the water to the town and cut off the farmers completely.
 - (B) Set a fair shared allocation that first secures essential drinking needs while supporting farmers with efficient-use measures and phased, agreed cuts.
 - (C) Give all the water to the farmers and let the town go without drinking water.



(D) Take no decision and let the two groups fight the matter out among themselves.

Q20. The core tension in this decision is:

- (A) whether droughts are real at all.
- (B) whether Rehanpur should have a municipality in the first place.
- (C) the trade-off between the farmers' livelihoods and the town's essential drinking-water needs under scarcity.
- (D) whether the council members deserve to be re-elected.

Q21. Which additional step would best support a fair decision?

- (A) Deciding the allocation in secret, without telling either group.
- (B) Consulting the farmers, the town residents and independent water experts, and sharing the supply data openly before finalising the plan.
- (C) Asking only the single largest farmer what should be done.
- (D) Postponing any decision indefinitely while the reservoir runs dry.



Detailed Solutions

Q1.

Solution

What is asked: the most appropriate course of action on receiving the leak.

Reasoning: The honest and workable path is to verify the key claims, give the hospital a fair chance to respond, and then publish what is confirmed and truly in the public interest. Option A serves the public's right to know while protecting fairness and accuracy.

Why the other options are wrong:

- Option B: Publishing unchecked claims risks spreading falsehoods and harming innocent people.
- Option C: Dropping a genuine public-interest story to dodge trouble abandons Neha's duty.
- Option D: Returning the document to the hospital lets the wrongdoer decide what surfaces.

Final Answer: Verify, seek response, then publish what is confirmed ⇒ **A**

Answer: (A) [Go Back to Q1](#)

Q2.

Solution

What is asked: the central dilemma.

Reasoning: Neha is pulled between the public's right to know serious wrongdoing and her duty to publish only verified, fair information. That balance is the real conflict in the caselet. Option A names it exactly.

Why the other options are wrong:

- Option B: The value of journalism as a whole is not the specific dilemma here.
- Option C: Whether the hospital may buy medicines later is outside the situation.
- Option D: Neha's promotion is a side matter, not the core tension.

Final Answer: Right to know versus duty to verify and be fair ⇒ **A**

Answer: (A) [Go Back to Q2](#)



Q3.

Solution

What is asked: the least appropriate action.

Reasoning: Publishing every name and unverified detail at once, just to be first, risks grave harm from claims that may be wrong. It fails both fairness and accuracy, so option B is least appropriate.

Why the other options are wrong:

- Option A: Independent verification is exactly the right step.
- Option C: Seeking the hospital's response is fair and standard practice.
- Option D: Consulting an editor and legal advisor is prudent.

Final Answer: Publishing all unverified detail to be first ⇒ **B**

Answer: (B) [Go Back to Q3](#)

Q4.

Solution

What is asked: the assumption behind publishing immediately without checking.

Reasoning: One would only skip verification if one assumed every claim in the document were already true. That belief is the hidden assumption behind rushing to print. Option D states it.

Why the other options are wrong:

- Option A: Whether the hospital comments does not remove the need to verify.
- Option B: Reader interest is not the assumption at work.
- Option C: The source's anonymity says nothing about the claims' truth.

Final Answer: Every claim is already true and needs no checking ⇒ **D**

Answer: (D) [Go Back to Q4](#)



Q5.

Solution

What is asked: the most appropriate first step in the emergency.

Reasoning: A fair manager supports a genuine emergency while managing the commitment honestly. Option D grants the leave, redistributes Farida's tasks, and speaks to the client early about a realistic plan. It is both humane and workable.

Why the other options are wrong:

- Option A: Refusing leave in a real family emergency is harsh and damages trust.
- Option B: Granting leave but later blaming her publicly is unfair and dishonest.
- Option C: Doing nothing lets the deadline fail with no plan.

Final Answer: Grant leave, redistribute work, brief the client early ⇒

Answer: (D) [Go Back to Q5](#)

Q6.

Solution

What is asked: the central dilemma Karan faces.

Reasoning: Karan is caught between supporting an employee's genuine emergency and meeting a hard business commitment. That conflict drives the whole caselet. Option C names it.

Why the other options are wrong:

- Option A: Farida's overall competence is not in question over one emergency.
- Option B: Whether deadlines matter at all is not the issue.
- Option D: Karan coding the module himself overnight is a stray detail, not the dilemma.

Final Answer: Compassion for the emergency versus the hard deadline ⇒

Answer: (C) [Go Back to Q6](#)



Q7.

Solution

What is asked: the principle that best guides a fair decision.

Reasoning: Treating employees with compassion in genuine emergencies, while managing commitments honestly and openly, is the fair and durable rule. Option A captures it.

Why the other options are wrong:

- Option B: Deadlines overriding every personal circumstance is rigid and inhumane.
- Option C: Always hiding matters from the client is dishonest.
- Option D: Never adjusting a plan ignores real, changing facts.

Final Answer: Compassion in emergencies plus honest management ⇒

Answer: (A) [Go Back to Q7](#)

Q8.

Solution

What is asked: the most appropriate action in the contractor choice.

Reasoning: The sound choice weighs price and safety record together and recommends the best safe value, not the cheapest alone. Option A protects lives and money without ignoring cost.

Why the other options are wrong:

- Option B: Choosing the cheapest while setting aside a poor safety record gambles with lives.
- Option C: Cancelling the project because nothing is perfect is an over-reaction.
- Option D: Deciding on a personal favour is corrupt and biased.

Final Answer: Weigh price and safety for best safe value ⇒

Answer: (A) [Go Back to Q8](#)



Q9.

Solution

What is asked: what the safety data (5 versus 1) most strongly supports.

Reasoning: Five serious incidents against one over the same period is a large gap in risk. For a bridge, that higher incident rate is a serious danger the Rs 6 crore saving (46 minus 40) may not justify. Option C draws exactly this supported conclusion.

Why the other options are wrong:

- Option A: The price gap does not simply cancel out a five-fold worse safety record.
- Option B: Safety records are highly relevant for a bridge, not irrelevant.
- Option D: Rejecting SafeSpan on cost alone over-reaches; its safety edge is the point.

Final Answer: The higher incident rate is a risk the price gap may not justify ⇒

C

Answer: (C) [Go Back to Q9](#)

Q10.

Solution

What is asked: the stakeholder most affected if the unsafe contractor is chosen.

Reasoning: If a bridge is built by a contractor with a poor safety record, the greatest and most direct risk falls on the public who will use it and the workers who build it. Option C identifies them.

Why the other options are wrong:

- Option A: Losing bidders are inconvenienced, not physically endangered.
- Option B: The accounts team is not the party whose safety is at stake.
- Option D: The stationery supplier is a distant, minor stakeholder.

Final Answer: The public who use the bridge and the workers who build it ⇒ C

Answer: (C) [Go Back to Q10](#)



Q11.

Solution

What is asked: the principle that best guides the decision.

Reasoning: When lives are at stake, safety and reliability must weigh heavily alongside cost. Option B states this balanced rule.

Why the other options are wrong:

- Option A: “Lowest bid always wins” ignores the safety risk to people.
- Option C: Denying that past incidents predict risk is simply false.
- Option D: Hiding safety concerns to move faster is dishonest and dangerous.

Final Answer: Weigh safety heavily alongside cost when lives are at stake ⇒ **B**

Answer: (B) [Go Back to Q11](#)

Q12.

Solution

What is asked: the most appropriate action after the data breach.

Reasoning: The honest, responsible choice is to tell affected customers promptly, explain what was exposed and how to protect themselves, and describe the fixes made. Option D respects both the law and customer trust.

Why the other options are wrong:

- Option A: Staying silent leaves customers exposed and is likely unlawful.
- Option B: Disclosing only if a journalist asks is evasive and reactive.
- Option C: Blaming a junior to deflect is unfair and dishonest.

Final Answer: Inform customers promptly, with protection steps and fixes ⇒ **D**

Answer: (D) [Go Back to Q12](#)

Q13.

Solution

What is asked: the central dilemma Ananya faces.

Reasoning: Ananya is torn between protecting the company’s short-term image and being honest with customers who may be at risk. That tension is the heart of the caselet. Option A names it.



Why the other options are wrong:

- Option B: Whether to sell online at all is not the question here.
- Option C: Ananya's salary is irrelevant to the decision.
- Option D: The website's colour scheme is trivial.

Final Answer: Short-term image versus honesty with at-risk customers ⇒

Answer: (A) [Go Back to Q13](#)

Q14.

Solution

What is asked: the least appropriate action.

Reasoning: Quietly hiding the breach and hoping no one is harmed abandons the customers who need to protect themselves and breaks trust and likely the law. It is the clearly least appropriate option, C.

Why the other options are wrong:

- Option A: Informing customers promptly is exactly right.
- Option B: Explaining the fix is responsible.
- Option D: Offering account-protection guidance genuinely helps customers.

Final Answer: Hiding the breach and hoping for the best ⇒

Answer: (C) [Go Back to Q14](#)

Q15.

Solution

What is asked: the most appropriate action on the credit-taking pattern.

Reasoning: Rohan should speak privately with Sameer, ensure work is credited accurately going forward, and set clear team norms for attribution. Option A corrects the behaviour fairly without blowing up the team.

Why the other options are wrong:

- Option B: Public humiliation is disproportionate and harms cooperation.
- Option C: Ignoring the complaint because Sameer is popular is unjust to Latha.
- Option D: Moving Latha out punishes the person who was wronged.



Final Answer: Speak privately, fix crediting, set clear norms ⇒

Answer: (A) [Go Back to Q15](#)

Q16.

Solution

What is asked: whose interests are most affected.

Reasoning: Latha's work goes unrecognised and her motivation is suffering, so she bears the most direct harm from Sameer's behaviour. Option B identifies her.

Why the other options are wrong:

- Option A: The seniors are misled but not the ones harmed most.
- Option C: Outside suppliers are unconnected to this.
- Option D: Sameer's family and friends are not affected here.

Final Answer: Latha, whose work and motivation suffer ⇒

Answer: (B) [Go Back to Q16](#)

Q17.

Solution

What is asked: the assumption behind ignoring the problem because Sameer is popular.

Reasoning: Doing nothing because Sameer is well liked assumes that keeping a popular member comfortable matters more than fairly recognising who actually did the work. Option D states that hidden assumption.

Why the other options are wrong:

- Option A: The caselet shows Latha is already losing motivation, so this is false.
- Option B: Accurate crediting is clearly possible, not impossible.
- Option C: Nothing suggests Sameer will confess unprompted.

Final Answer: A popular member's comfort outweighs fair recognition ⇒

Answer: (D) [Go Back to Q17](#)



Q18.

Solution

What is asked: the principle that best fits the decision.

Reasoning: Work should be credited honestly to those who did it, and concerns addressed fairly regardless of who is popular. Option D states this balanced principle.

Why the other options are wrong:

- Option A: Never questioning popular members shields bad conduct.
- Option B: Confidence in presenting is not a basis for owning others' work.
- Option C: Avoiding every hard conversation lets the problem fester.

Final Answer: Credit work honestly and address concerns fairly ⇒ **D**

Answer: (D) [Go Back to Q18](#)

Q19.

Solution

What is asked: the most balanced course for the council.

Reasoning: The fair path secures essential drinking needs first, then supports farmers with efficient-use measures and phased, agreed cuts. Option B shares the scarce water without abandoning either group.

Why the other options are wrong:

- Option A: Cutting off farmers entirely destroys their livelihoods.
- Option C: Leaving the town without drinking water endangers residents' health.
- Option D: Letting the groups fight it out abdicates the council's duty.

Final Answer: Secure drinking needs first, then a fair phased share ⇒ **B**

Answer: (B) [Go Back to Q19](#)



Q20.

Solution

What is asked: the core tension in the decision.

Reasoning: The council must weigh the farmers' livelihoods against the town's essential drinking-water needs under scarcity. That trade-off is the heart of the caselet. Option C names it.

Why the other options are wrong:

- Option A: Whether droughts are real is not the specific tension.
- Option B: Whether the municipality should exist is beside the point.
- Option D: Re-election is a side concern, not the core.

Final Answer: Farmers' livelihoods versus the town's drinking-water needs ⇒ **C**

Answer: (C) [Go Back to Q20](#)

Q21.

Solution

What is asked: the step that best supports a fair decision.

Reasoning: Consulting the farmers, the residents and independent experts, and sharing the supply data openly, brings every affected view and the real facts into the decision. Option B makes the plan informed and fair.

Why the other options are wrong:

- Option A: Deciding in secret excludes the very people affected.
- Option C: Asking only the largest farmer hears one interested party.
- Option D: Indefinite delay lets the reservoir run dry while no one decides.

Final Answer: Consult all sides and share the data openly ⇒ **B**

Answer: (B) [Go Back to Q21](#)



Answer Key

Q	Ans	Q	Ans	Q	Ans	Q	Ans	Q	Ans
1	A	2	A	3	B	4	D	5	D
6	C	7	A	8	A	9	C	10	C
11	B	12	D	13	A	14	C	15	A
16	B	17	D	18	D	19	B	20	C
21	B								

