ORGANIZATIONAL BEHAVIOR



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Description Case- 1 "IF TWO HEADS ARE BETTER THAN ONE, ARE FOUR EVEN BETTER"

Preeti Razdan, 24, is a marketing manager for Barista, a chain of coffee shops, in Chennai. Recently, Preeti's wealthy uncle passed away and left to Preeti, his only niece, INR 5 million. Preeti consider her current salary to be adequate to meet her current living expenses, so that when she buys a house she'll have a nice nest egg on which to draw.

One of Preeti's neighbours, Bria, is a financial advisor. Brian told Preeti there was a virtually endless array of investment option. She asked him to present her with two of the best options, and this is what he came up with:

A very low risk mutual fund. With this option, based on the information Brian provided, Preeti estimates that after 5 years she stands virtually zero chance of losing money, with an expected gain of approximately

30 percent.

A moderate-risk mutual fund. Based on the information Brian provided her, Preeti estimates that with this option she stands a 50 percent chance of making a 70 percent gain but also a 50 percent chance of losing

30 percent.

Preeti prides herself on being rational and objective in her thinking. However, she's unsure of what to do in this case. Brian refuses to help her, telling her that she's already limited herself by asking for only two options. While driving to her parents' house for the weekend, Preeti finds herself vacillating between the two options. Her older is also visiting the folks this weekend, so Preeti decides to gather her family around the table after dinner, lay out the two options, and go with their decision "You know the old saying-two heads are better than one," she says to herself, "so four heads should be even better."

Questions :-

1) Has Preeti made a good decision about the way she is going to make the decision?

2) Which investment would you choose? Why?

3) Which investment do you think most people would choose?

4) Based on what you have learned about groupshift, which investment do you think Preeti's family will choose?

Details

1. Case study solved answers

2. pdf/word

3. Fully Solved with answers