

### Arvind Pandey Caught in Business Web

Arvind Pandey is a project manager at Al Saba Construction Company in Muscat. It is a flourishing company with several construction projects in Muscat and abroad. It is known for completing projects on time and with high quantity construction. The company's Chairman is a rich and highly educated Omani. A German engineer is Arvind's Vice-President for urban and foreign construction projects.

Three months ago, Al Saba had submitted a tender for a major construction project in Kuwait. Its quotation was for \$ 25 million. In Kuwait the project was sponsored and announced by a US-based construction company called Fuma. According to Al Saba, their bid of \$ 25 million was modest but had included a high margin of profit.

On 25 April, Arvind was asked to go to Kuwait to find out from the Fuma project manager the status of their construction proposal. Arvind was delighted to know that Fuma had decided to give his company (Al Saba) the construction project work. The project meant a lot for Al Saba as they had already put in a lot of effort and money in planning the proposed construction in Kuwait.

But before Arvind could thank the Fuma project manager, he was told that their bid should be raised to \$ 28 million. Arvind was surprised. He tried to convince the Fuma project manager that his (Arvind) company

had the best reputation for doing construction work in a cost effective way. However, he could always raise the bid by \$ 3 million. But he wanted to know why he was required to do so.

The Fuma manager's reply was, "That's the way we do our business in this part of the world. \$ 1 million will go to our Managing Director in the US, I shall get \$ 1 million, you, Mr Pandey, will get \$ 1 million in a specified account in Swiss Bank."

Arvind asked, "But why me?"

"So that you never talk about it to any one." The Fuma Project Manager said.

Arvind promised never to leak it out to any one else. And he tried to bargain to raise the bid by \$ 2 million. For, Arvind was familiar with the practice of "pay-offs" involved in doing business in the Middle East. But he was never personally involved in any such thing. He thought it was against his loyalty to his company and his personal ethics.

Arvind promised the Fuma project manager that the bid would be raised to \$ 28 million and fresh papers would be put in. He did not want to lose the job.

He came back to Muscat and kept trying to figure out how he should place the whole thing before his German Vice President. He obviously was at a loss.

## Questions to Answer

1. Analyse the reasons for Arvind Pandey's dilemma.
2. Does Arvind Pandey really face a dilemma?
3. In your view what should Arvind Pandey do? Should he disclose it to his German Vice President?

## Case Study

### Communication Failure

Mr and Mrs Basu went to Woodlands Apparel to buy a pullover. Mr Basu did not read the price tag on the piece selected by him. At the counter, while making the payment he asked for the price. Rs. 950 was the answer.

Meanwhile, Mrs Basu, who was still shopping came back and joined her husband. She was glad that he had selected a nice black pullover for himself. She pointed out that there was a 25% discount on that item. The counter person nodded in agreement.

Mr Basu was thrilled to hear that. "It means the price of this pullover is just Rs. 712.

That's fantastic", said Mr Basu.

He decided to buy one more pullover in green colour.

In no time, he returned with the second pullover and asked them to be packed. When he received the cash memo for payment, he was astonished to find that he had to pay Rs. 1,900 and not Rs. 1,424.

Mr Basu could hardly reconcile himself to the fact that the counter person had quoted the discounted price which was Rs. 950. The original price printed on the price tag was Rs. 1,266.

## Questions to Answer

1. Identify the three sources of Mr Basu's information.
2. Discuss the main filter involved in this case.
3. What should Mr Basu have done to avoid the misunderstanding?
4. Who is to blame for this communication gap? And why?

## Case Study

### Wave

(ATV: Advertising Radio FM Band)

A young, gorgeous woman is standing in front of her apartment window dancing to the 1970s tune, "All Right Now" by the one-hit band Free. Across the street a young man looks out of his apartment window and notices her. He moves closer to the window, taking interest. She cranks up the volume and continues dancing, looking out the window at the fellow, who smiles hopefully and waves meekly. He holds up a bottle of wine and waves it, apparently inviting her over for a drink. The lady waves back. He kisses the bottle and excitedly says, "Yesss." Then, he gazes around his apartment and realizes that it is a mess. "No!" he exclaims in a worried tone of voice. Frantically, he does his best to quickly clean up the place, stuffing papers under the sofa and putting old food back in the refrigerator. He slips on a black shirt, slicks

back his hair, sniffs his armpit, and lets out an excited, "Yeahhh!" in eager anticipation of entertaining the young lady. He goes back to the window and sees the woman still dancing away. He points to his watch, as if to say, "Come on. It's getting late." As she just continues dancing, he looks confused. Then, a look of sudden insight appears on his face. "Five," he says to himself. He turns on his radio, and it too is playing "All Right Now." The man goes to his window and starts dancing as he watches his lady friend continue stepping. "Five, yeah," he says as he makes the "okay" sign with his thumb and forefinger. He waves again. Everyone in the apartment building is dancing by their window to "All Right Now." A super appears on the screen: "Are you on the right wavelength?"

## Questions to Answer

1. What is non-verbal communication? Why do you suppose that this commercial relies primarily on non-verbal communication between a young man and a gorgeous woman? What types of non-verbal communication are being used in this case?
2. Would any of the non-verbal communications in this spot (ad) not work well in another culture?
3. What role does music play in this spot? Who is the target market?
4. Is the music at all distracting from the message?
5. How else are radio stations advertised on TV?