

What You Need to Know About the GMAT

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- **Know the Content and Composition of the GMAT**
- **Prepare!**
- **Register Early**
- **Anticipate the Format of the Test**
- **Understand How the Computer-Adaptive Aspect Affects Your Score**
- **Set a Goal for Your Score**

You probably thought that the SATs and ACTs were the last standardized tests you would ever take, but if you want to pursue an advanced graduate degree in business you will need to take the General Management Admissions Test (GMAT). The GMAT is a four-hour computer-adaptive test designed to assess your verbal, mathematic, and analytical writing skills. The test is required for application to most general management business schools. If you are considering a master of business administration (MBA) but balk at the thought of another standardized test, this handout is a great resource for you.

The purpose of this handout is to detail the content of the GMAT, provide information about preparing and registering for the test, describe the format, explain how the computer-adaptive aspect affects your score, and finally provide a benchmark of scores across each section. In addition, a McIntire student who took the GMAT provides special notes to McIntire students comparing the McIntire curriculum to the skills tested on the GMAT.

KNOW THE CONTENT AND COMPOSITION OF THE TEST

The GMAT is composed of three distinct sections: the analytical writing assessment, the verbal section, and the quantitative section. First, you will complete the analytical writing assessment, which tests your ability to analyze an issue and evaluate an argument. Second, you will take the verbal section, which tests your ability to read critically, evaluate arguments, and proof formal written English. The final section you will take, the quantitative section, tests your ability to problem solve using basic arithmetic, algebra, and geometry knowledge.

Analytical Writing Assessment (AWA)

AWA is composed of two writing exercises that test your ability analyze an issue and evaluate an argument. All possible writing topics are publicly available at www.mba.com/mba/TaketheGMAT/Tools/AWATopics.htm.

1. Analysis of an Issue requires you to analyze the issue presented in the question and clearly communicate your views on it. The question is designed to present an argument with two defensible sides. A sample analysis of an issue question is as follows:

“The presence of a competitor is always beneficial to a company. Competition forces a company to change itself in ways that improve its practices.”

Discuss the extent to which you agree or disagree with the opinion stated above. Support your views with reasons and/or examples from your own experience, observation, or reading (www.mba.com).

2. Analysis of an Argument requires you to evaluate the quality of the argument presented. The question is designed to present a weak argument. The response should recognize flaws in the author’s reasoning and ways to strengthen the argument. A sample question, which appeared in the opinion section of a national newsmagazine, is as follows:

“To reverse the deterioration of the postal service, the government should raise the price of postage stamps. This solution will no doubt prove effective, since the price increase will generate larger revenues and will also reduce the volume of mail, thereby eliminating the strain on the existing system and contributing to improved morale.”

Discuss how well reasoned you find this argument. In your discussion be sure to analyze the line of reasoning and the use of evidence in the argument. For example, you may need to consider what questionable assumptions underlie the thinking and what alternative explanations of counterexamples might weaken the conclusion. You can also discuss what sort of evidence would strengthen or refute the argument, what changes in the argument would make it more logically sound and what, if anything, would help you better evaluate its conclusion (www.mba.com).

Evaluation of responses

AWA responses are evaluated by two independent sources:

1. E-rater®, an electronic system that reviews more than 30 features, including structure of ideas, syntax, diction, and other linguistic features.
2. Expert rater, usually a college or university faculty member.

Both evaluators are trained to ignore small errors in spelling and grammar. If there is a discrepancy of more than one point, then the response is evaluated by another expert reader. E-rater and independent readers assign the same score 87% to 94% of the time.

Your response is evaluated on how well you perform in three areas:

1. Organize, develop, and express your ideas about the issue presented
2. Provide relevant supporting reasons and examples
3. Control the elements of standard written English

Special note to McIntire students: The evaluation criteria for the AWA portion of the GMAT align well with the method of writing presented in the McIntire core curriculum, specifically the following:

- “Bottom Line Upfront (BLUF)”- You should state your claim first
- Pick a side and state your opinion
- Provide examples and anecdotal data to support your opinion
- Recognize and refute the other side’s argument
- Acknowledge weaknesses in your argument and suggest information that could strengthen your argument
- Use a new paragraph for each distinct idea (The E-rater® gives credit for a new idea for each paragraph. Aim to complete six paragraphs.)
- Use transition phrases (in addition, alternatively, for example, therefore)
- Vary word choice
- Use active tense

Quantitative Section

The quantitative section is composed of 37 questions testing your knowledge of arithmetic, algebra, and geometry. High-performing test takers will also face statistics and probability problems. Calculators are not permitted. You will experience two types of multiple choice questions: problem solving and data sufficiency. These are described below with sample questions.

1. Problem solving assesses your mathematical ability and accounts for 22 of the 37 questions. Sample question:

If $u > t$, $r > q$, $s > t$, and $t > r$, which of the following must be true?

- I. $u > s$
- II. $s > q$
- III. $u > r$

- (A) I only
- (B) II only
- (C) III only
- (D) I and II
- (E) II and III

Answer E (www.mba.com).

2. Data sufficiency tests your ability to discern what data are necessary for quantitative analysis and accounts for 15 of the 37 questions. Sample question:

If a real estate agent received a commission of 6 percent of the selling price of a certain house, what was the selling price of the house?

- (1) The selling price minus the real estate agent’s commission was \$84,600.
- (2) The selling price was 250 percent of the original purchase price of \$36,000.

- (A) Statement (1) ALONE is sufficient, but statement (2) alone is not sufficient.
- (B) Statement (2) ALONE is sufficient, but statement (1) alone is not sufficient.
- (C) BOTH statements TOGETHER are sufficient, but NEITHER statement ALONE is sufficient.

(D) EACH statement ALONE is sufficient.

(E) Statements (1) and (2) TOGETHER are NOT sufficient.

Answer D (www.mba.com).

Special note to McIntire students: The level of mathematics tested on the GMAT is equivalent to high school math. A quantitative background from McIntire will be helpful in the following ways:

- Comfort with numbers
- Accuracy with arithmetic calculations
- Basic statistics (mean, median, mode)
- Percentages
- Factoring
- Quadratic formula

However, it is likely that you will need to brush up on basic arithmetic, algebra, and geometry rules, such as the following:

- Prime numbers
- Pythagorean theorem
- Geometry (surface area and volume of basic figures)
- Algebraic translation with word problems
- Permutations
- Combinations

Verbal Section

The verbal section is composed of 41 questions created to test your ability to evaluate arguments, read critically, and proof formal written English. You will see a combination of three types of multiple choice questions, which appear in random order. Reading comprehension questions are based on a short article and test your ability to understand and make inferences about a written passage. Critical reasoning questions test your logic. Finally, sentence correction tests your ability to proof written English using basic grammar rules.

1. Reading comprehension tests your ability to understand and draw conclusions from a written passage. Passages range from approximately 200 to 450 words and account for 14 of the 41 questions, with three to four passages covering one of three subjects:
 - a. *Natural sciences* such as biology, chemistry, and astronomy. These passages often contain complicated language. For this reason, natural sciences passages are usually complemented with easier questions. Do not get thrown off by long scientific terms.
 - b. *Social sciences* such as history and sociology. These passages usually address multiculturalism and historic injustice issues. Remember to read the passage with a critical eye. Do not allow your own beliefs and biases to interfere from answering the question objectively.

- c. *Business issues* such as business practices and economic theory. These passages often use common business lingo.

You will find this section similar to the reading comprehension section on the SAT or ACT.

Special note to McIntire students: Knowledge of business will be an advantage in understanding the critical reading passages on business. In addition, reading articles in publications such as *The Wall Street Journal* is a good method of practicing critical reading.

2. Critical reasoning tests your logic and accounts for 12 to 14 of the 41 questions. Each question contains a short passage, a question stem, and five answer choices. You may find it helpful to read the question stem first, before reading the short passage. A sample critical reasoning question is as follows:

The cost of producing radios in Country Q is 10 percent less than the cost of producing radios in Country Y. Even after transportation fees and tariff charges are added, it is still cheaper for a company to import radios from Country Q to Country Y than to produce radios in Country Y.

The statements above, if true, best support which of the following assertions?

- (A) *Labor costs in Country Q are 10 percent below those in Country Y.*
(B) *Importing radios from Country Q to Country Y will eliminate 10 percent of the manufacturing jobs in Country Y.*
(C) *The tariff on a radio imported from Country Q to Country Y is less than 10 percent of the cost of manufacturing the radio in Country Y.*
(D) *The fee for transporting a radio from Country Q to Country Y is more than 10 percent of the cost of manufacturing the radio in Country Q.*
(E) *It takes 10 percent less time to manufacture a radio in Country Q than it does in Country Y.*

Answer C (www.mba.com).

Special note to McIntire students: Understanding and evaluating business cases develop strong logic and critical reasoning that are helpful in tackling the questions in this section.

3. Sentence correction tests basic grammar rules and accounts for 13 to 16 of the 41 questions. A sample sentence correction question is as follows:

Carbon-14 dating reveals that the megalithic monuments in Brittany are nearly 2,000 years as old as any of their supposed Mediterranean predecessors.

- (A) *as old as any of their supposed*
(B) *older than any of their supposed*
(C) *as old as their supposed*
(D) *older than any of their supposedly*
(E) *as old as their supposedly*

Answer B (www.mba.com).

Special note to McIntire students: You have likely developed a firm understanding of basic grammar from writing papers during your McIntire studies, such as the following:

- Subject-verb agreement
- Comparisons (like, as, more than)
- Verb tense
- Parallelism
- Modifiers

Due to the formal nature of business writing, you may find it useful to review the following:

- Common idiomatic statements (e.g., “between” is used when choosing from two items, and “among” is used when choosing from a group. These errors are apparent when the sentence just does not sound right.)
- Pronoun agreement

PREPARE!

As you can tell, the GMAT is a comprehensive exam, testing many writing, verbal, and quantitative skills. Despite learning some of these skills at McIntire, it is likely that you will need to prepare. Many students find it helpful to take a prep class because they appreciate the regimented study schedule and like having an instructor available to explain hard-to-solve problems. Other students are more comfortable preparing on their own. You will need to assess your own learning style to pick the best option for you. Below is some information to help you evaluate each alternative.

Studying on your Own

www.gmac.com

The General Management Admissions Council, the creator of the GMAT, offers three retired exams for \$25 each at www.mba.com. Also, first-time registrants are provided two free practice exams electronically after registration.

Major bookstores

You can find study aids at major books stores printed by the Princeton Review and Kaplan, which range from \$40 up to \$100.

Prep Classes

Prep classes, although costly, structure and discipline studying. They also offer practice exams that simulate the exact computer screen and testing format you will see on test day.

<u>Prep Course</u>	<u>Cost</u>	<u>Nearest Location</u>	<u>Hours of Instruction</u>	<u>Instructor Score Percentile</u>	<u>% Students Scoring 700+</u>	<u>Practice Tests Available</u>
Kaplan	\$ 1,349	Charlottesville	20	90%	14%	8
Princeton	\$ 1,249	Richmond	22-25	No minimum	13%	5
Veritas	\$ 1,400	Washington, DC	42	99%	30%	17

REGISTER EARLY

Part of good preparation includes registering early. The test isn't offered on certain dates, as is the SAT. Rather, you must register online to reserve a computer at a Pearson VUE testing facility. Pearson VUE testing facilities offer many other exams such as the LSAT and GRE. Due to a limited number of computers, you should register at least one month prior to scheduled test date. You can register to take the GMAT at www.mba.com. The GMAT costs \$250.

ANTICIPATE THE FORMAT OF TEST

As you prepare, you should familiarize yourself with the format of the test. On test day, you do not want to have to focus on anything other than the actual questions. Know the sequence of the sections and when you can take a break. Also, memorize the directions for each section, which are available at www.mba.com/mba/TaketheGMAT. This will give you an extra boost of confidence and more time to focus on the graded questions.

As you can see from the table below, the GMAT is composed of three sections, with 10-minute optional breaks between each section. Before you begin the test, you must complete an interactive tutorial explaining how to use the computer; there is no time limit for this portion. The first section, analytical writing assessment, is broken into two consecutive 30-minute sections: analysis of an issue and analysis of an argument. After an optional 10-minute break, you will take the quantitative portion, a 75-minute segment with 37 questions. Then you will be offered another 10-minute break before tackling the final section. The verbal portion is also 75 minutes and is composed of 41 questions. The total time to take the test is 3 hours and 40 minutes. Once you have completed the test, you will be able to receive your scores immediately.

Section	Questions	Allotted Time
Interactive Tutorial	0	No time limit
Analytical Writing Assessment		
Analysis of an Issue	1	30 minutes
Analysis of an Argument	1	30 minutes
<i>Optional Break</i>		10 minutes
Quantitative		
Problem Solving/Data Sufficiency	37	75 minutes
<i>Optional Break</i>		10 minutes
Verbal		
Reading Comprehension/Sentence Correction/Critical Reasoning	41	75 minutes
Total Time: Approximately 3 hours 40 minutes		

UNDERSTAND HOW THE COMPUTER-ADAPTIVE ASPECT AFFECTS YOUR SCORE

The GMAT is a computer-adaptive test. The test adapts to how well you performed on the previous question. Therefore, you will see a progressively harder question, and your score will go up, if you

answered the previous question correctly. Similarly, you will see an easier question, and your

score will go down, if you missed the previous question. Some speculate that the earlier questions, therefore, have a greater influence on your score. However, this is speculation, as the General Management Admissions Council does not reveal how scores are calculated. The following diagram may be helpful in understanding the computer-adaptive aspect of the GMAT.

Difficulty of Question

Probable Score Range

Start
 More Difficult
 600
 800
 Less Difficult
 Same as Start
 More Difficult
 Less Difficult
 400
 Correct
 Incorrect
 200

*For visual understanding only; not representative of actual GMAC scoring measure.

SET A GOAL FOR YOUR SCORE

It is helpful to set a goal for your score. A good way to determine your goal score is to find out the GMAT score for the business schools you might attend. The average GMAT score range for business schools such as Harvard, Wharton, Stanford, Kellogg, Chicago, and Darden during 2004 is 680 to 716 (see the Career Services handout “Planning for Business School”_for more data on GMAT scores for top business schools).

Analytical Writing Assessment

Approximately two weeks after taking the GMAT, you will receive your AWA score, which ranges from 0 to 6.0, in half point increments, with 6.0 being the highest score. The average score among test-takers is 4.1.

AWA	
AWA Scaled Score	Percentage Below
6.0	96
5.5	87
5.0	74
4.5	55
4.0	34
3.5	18
3.0	8
2.5	4
2.0	2
0.2 - 1.5	2

Quantitative and Verbal Sections

On test day, you will receive your verbal and quantitative section score, based on a scale of 1 to 60. The average score among test-takers is 27.3 for verbal and 35.0 for quantitative. Below is a table that shows the distribution of verbal and quantitative scores for year 2006 (based on prior three years of scores):

VERBAL			
Verbal Scaled Score	Percentage Below	Verbal Scaled Score	Percentage Below
45 - 60	99	26	43
44	97	25	38
43	97	24	36
42	96	23	31
41	93	22	29
40	90	21	25
39	89	20	21
38	85	19	17
37	83	18	16
36	81	17	13
35	76	16	10
34	72	15	8
33	69	14	7
32	67	13	5
31	61	12	3
30	59	11	2
29	56	10	2
28	51	10 - 9	1
27	46	0 - 6	0

QUANTITATIVE			
Quantitative Scaled Score	Percentage Below	Quantitative Scaled Score	Percentage Below
51-60	99	31	32
50	95	30	30
49	90	29	27
48	86	28	25
47	82	27	21
46	80	26	19
45	78	25	16
44	74	24	15
43	71	23	13
42	67	22	10
41	65	21	9
40	63	20	8
39	58	19	7
38	56	18	6
37	54	17 - 15	4
36	49	14	3
35	45	13 - 12	2
34	43	11 - 7	1
33	41	0 - 6	0
32	37		

Total Score

On test day, you will also receive a total score, based on a scale of 200 to 800, with 800 being a perfect score. This total score is calculated by combining your verbal and quantitative scores. The average total score among test takers is a 526.0. Below is a table that shows the distribution of total scores for year 2006 (based on prior three years of scores):

TOTAL					
Total Scaled	Percentage Below	Total Scaled Score	Percentage Below	Total Scaled Score	Percentage Below
750 – 800	99	590	67	430	20
740	98	580	64	420	17
730	97	570	61	410	15
720	96	560	58	400	14
710	94	550	55	390	12
700	93	540	51	380	11
690	91	530	47	370	9
680	89	520	45	360	8
670	88	510	42	350	6
660	86	500	39	340 – 330	5
650	84	490	36	320	4
640	80	480	33	310	3
630	79	470	30	270 - 300	2
620	76	460	27	240 - 260	1
610	73	450	24	200 - 230	0
600	70	440	22		

Important Facts about Scores

Cancellation

You can cancel your score at any time during and immediately after the test. Once you have completed the test, you will see a computer screen asking if you would like to report your scores. Once you click yes, your scores are official and cannot be erased.

Expiration

Another important fact, especially for undergraduates, is that GMAT scores are valid for five years. After five years, the score is no longer accepted by major business schools. So, if you take the GMAT as a college senior, you can then use that test score to apply to business school up to four years out of college. Having knocked your GMAT out of the way while in college will be helpful in balancing the burden of applying to business schools with your job duties. The overlapping McIntire curriculum will also be fresh in your mind, helping you to score higher. Many practitioners recommend taking the GMAT while in college if there is a possibility you will attend business school in the next five years.

Multiple test scores

If you are unsatisfied with your score, you may take the GMAT again. You must wait 30 days to retake the test and can take the test a maximum of six times annually. A study published in 2005 by the General Management Admissions Council shows 17.5% of test-takers retake the GMAT and the average score improvement on the second attempt is 30 points. Business schools can view all of your

scores but consider only your top score in the admissions process.

GO FOR IT!

Now that you know the General Management Test is required to apply to business school, you understand the content and format of the exam, and you have set a goal for your score, start preparing and ace the GMAT!

Special Note to McIntire students: These notes are based on the experience of a 2006 McIntire student who took the GMAT in 2006. It is provided to offer insight into the relationship between the GMAT and McIntire curriculum. Individual experiences will vary.

RESOURCES

www.businessweek.com

The General Management Admission Council. www.gmac.com

www.mba.com

www.kaplan.com

www.princetonreview.com